

AMENDED IN ASSEMBLY JUNE 14, 2011

AMENDED IN ASSEMBLY MARCH 14, 2011

SENATE BILL

No. 85

Introduced by Committee on Budget and Fiscal Review

January 10, 2011

An act to amend Sections 585, 650, 654.1, 655.5, 729, 1282.3, 1701, 1701.1, 1960, 2052, 2315, 4324, 5536.5, 6126, 6153, 6788, 7028.16, 7739, 10238.6, 11020, 11023, 11286, 11287, 11320, 16755, 17511.9, 17550.19, 22430, and 25618 of the Business and Professions Code, to amend Sections 892, 1695.8, 1812.125, 1812.217, 2945.7, 2985.2, and 2985.3 of the Civil Code, to amend Sections 2255, 2256, 6811, 6814, 8812, 8815, 12672, 12675, 22002, 25540, 27202, 28880, 29102, 29550, 31410, 31411, and 35301 of the Corporations Code, to amend Section 7054 of the Education Code, to amend Sections 18002, 18100, 18101, 18102, 18106, 18200, 18201, 18203, 18204, 18205, 18310, 18311, 18400, 18403, 18502, 18520, 18521, 18522, 18523, 18524, 18540, 18544, 18545, 18560, 18561, 18564, 18566, 18567, 18568, 18573, 18575, 18578, 18611, 18613, 18614, 18620, 18621, 18640, 18660, 18661, and 18680 of the Elections Code, to amend Sections 3510, 3532, 5300, 5302, 5303, 5304, 5305, 5307, 10004, 12102, 14752, 17700, 18349.5, 18435, 22753, 22780, 31880, and 50500 of the Financial Code, to amend Sections 12004 and 12005 of the Fish and Game Code, to amend Sections 17701, 18932, 18933, 19440, 19441, and 80174 of the Food and Agriculture Code, to amend Sections 1195, 1368, 1369, 3108, 3109, 5954, 6200, 6201, 9056, 27443, and 51018.7 of the Government Code, to amend Sections 264, 310, and 668 of the Harbors and Navigation Code, to amend Sections 1390, 1522.01, 1621.5, 7051, 7051.5, 8113.5, 8785, 11100, 11100.1, 11105, 11153, 11153.5, 11162.5, 11350, 11351, 11351.5, 11352, 11353.5, 11353.6, 11353.7, 11356, 11357, 11358, 11359, 11360, 11362, 11366.5, 11366.6, 11366.8,

11370.6, 11371, 11371.1, 11374.5, 11377, 11378, 11378.5, 11379, 11379.5, 11379.6, 11380.7, 11381, 11383, 11383.5, 11383.6, 11383.7, 12401, 12700, 17061, 18124.5, 25180.7, 25189.5, 25189.6, 25189.7, 25190, 25191, 25395.13, 25515, 25541, 42400.3, 44209, 100895, 109335, 115215, 116730, 116750, 118340, and 131130 of the Health and Safety Code, to amend Sections 700, 750, 833, 1043, 1215.10, 1764.7, 1814, 1871.4, 10192.165, 11161, 11162, 11163, 11760, 11880, 12660, and 12845 of the Insurance Code, to amend Sections 227, 6425, and 7771 of the Labor Code, to amend Sections 145, 1318, 1672, and 1673, of the Military and Veterans Code, to amend Sections 17, 18, 19.2, 33, 38, 67.5, 69, 71, 72, 72.5, 76, 95, 95.1, 96, 99, 107, 109, 113, 114, 115.1, 126, 136.7, 137, 139, 140, 142, 146a, 146e, 148, 148.1, 148.3, 148.4, 148.10, 149, 153, 156, 157, 168, 171e, 171d, 181, 182, 186.10, 186.22, 186.26, 186.28, 186.33, 191.5, 193, 193.5, 210.5, 217.1, 218.1, 219.1, 222, 237, 241.1, 241.4, 241.7, 243, 243.1, 243.6, 244.5, 245, 245.6, 246.3, 247.5, 261.5, 265, 266b, 266e, 266f, 266g, 271, 271a, 273.4, 273.6, 273.65, 273d, 278, 278.5, 280, 284, 288.2, 290.018, 290.4, 290.45, 290.46, 298.2, 299.5, 311.9, 313.4, 337.3, 337.7, 337b, 337e, 337d, 337e, 337f, 350, 367f, 367g, 368, 374.2, 374.8, 375, 382.5, 382.6, 386, 387, 399.5, 404.6, 405b, 417, 417.3, 417.6, 422, 422.7, 453, 455, 461, 463, 464, 470a, 470b, 473, 474, 478, 479, 480, 481, 483.5, 484b, 484i, 487b, 487d, 489, 496, 496a, 496d, 499e, 499d, 500, 502, 506b, 520, 529, 529a, 530.5, 532a, 532f, 533, 535, 537e, 538.5, 548, 549, 550, 551, 560, 560.4, 566, 570, 577, 578, 580, 581, 587, 587.1, 591, 593, 594, 594.3, 594.35, 594.4, 597, 597.5, 598e, 598d, 600, 601, 610, 617, 620, 621, 625b, 626.9, 626.95, 626.10, 629.84, 631, 636, 637, 647.6, 653f, 653h, 653j, 653s, 653t, 653u, 653w, 664, 666, 666.5, 667.5, 668, 800, 801, 803, 836.6, 1168, 1170, 1174.4, 1203.016, 1208.2, 1213, 1320, 1320.5, 2600, 2650, 2772, 2790, 2900.5, 2932, 3000, 3000.1, 3001, 3003, 3056, 3057, 4011.7, 4016.5, 4019, 4131.5, 4501.1, 4502, 4530, 4532, 4533, 4536, 4550, 4573, 4573.6, 4573.9, 4574, 4600, 11411, 11413, 11418, 11419, 12021, 12021.1, 12021.5, 12022, 12022.5, 12022.9, 12025, 12035, 12040, 12072, 12076, 12090, 12101, 12220, 12280, 12281, 12303.3, 12303.6, 12304, 12312, 12320, 12355, 12370, 12403.7, 12422, 12520, 18715, 18720, 18725, 18730, 18735, 18740, 20110, 22810, 22910, 23900, 25110, 25300, 25400, 25850, 27590, 28250, 29700, 30315, 30600, 30605, 30725, 31360, 32625, and 33410 of, to add Sections 17.5, 1203.018, 1230.1, 2057, 3000.08, and 3000.09 to, to add Title 2.05 (commencing with Section 3450) to Part 3 of, and to repeal Sections 3060 and 3061 of, the Penal Code, to amend Sections

~~10283 and 10873 of the Public Contract Code, to amend Sections 5097.99, 14591, 25205, and 48680 of the Public Resources Code, to amend Sections 7680, 7724, 7903, and 21407.6 of the Public Utilities Code, to amend Sections 7093.6, 9278, 14521, 16910, 18631.7, 19705, 19708, 30459.15, 32471.5, 32555, 38800, 40211.5, 41171.5, 43522.5, 43606, 45867.5, 45955, 46628, 46705, 50156.18, 55332.5, 55363, and 60637 of the Revenue and Taxation Code, to amend Sections 2478, 2800.4, 4463, 10501, 10752, 10801, 10802, 10803, 10851, 21464, 21651, 23104, 23105, 23109, 23109.1, 23110, 23550, and 42000 of the Vehicle Code, to amend Section 13387 of the Water Code, and to amend Sections 871.5, 1001.5, 1731.5, 1768.7, 1768.85, 3002, 7326, 8100, 8101, 8103, 10980, 14107.2, 14107.3, 14107.4, and 17410 of, and to add Section 1710.5 to, the Welfare and Institutions Code, relating to criminal justice realignment, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately, bill related to the budget.~~
An act to amend Sections 2558.46, 8201, 8208, 8263.2, 8263.4, 8447, 8499, 42238.146, 56325, and 69432.7 of, to amend and renumber Section 60422.3 of, to amend and repeal Sections 56139 and 56331 of, to add Section 42251 to, and to repeal and add Section 42606 of, the Education Code, to amend Section 7911.1 of the Family Code, to amend Sections 7572, 7582, 7585, and 17581.5 of, to amend and repeal Sections 7572.5, 7572.55, 7576, 7576.2, 7576.3, 7576.5, 7586.5, 7586.6, and 7586.7 of, and to repeal Section 7588 of, the Government Code, and to amend Sections 5651 and 11323.2 of, to amend and repeal Sections 5701.3 and 5701.6 of, to add and repeal Section 18356.1 of, and to repeal Chapter 6 (commencing with Section 18350) of Part 6 of Division 9 of, the Welfare and Institutions Code, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 85, as amended, Committee on Budget and Fiscal Review.
~~Criminal justice alignment.~~ *Education finance.*

(1) Existing law requires a revenue limit to be calculated for each county superintendent of schools, adjusted for various factors, and reduced, as specified. Existing law reduces the revenue limit for each county superintendent of schools for the 2011–12 fiscal year by a deficit factor of 19.892%.

This bill instead would set the deficit factor for each county superintendent of schools for the 2011–12 fiscal year at 20.041%.

(2) The Child Care and Development Services Act, administered by the State Department of Education, provides that children who are 10 years of age or younger, children with exceptional needs, children 12 years of age or younger who are recipients of child protective services or at risk of abuse, neglect, or exploitation, children 12 years of age or younger who are provided services during nontraditional hours, children 12 years of age or younger who are homeless, and children who are 11 and 12 years of age, as funding permits, as specified, are eligible, with certain requirements, for child care and development services.

This bill would instead provide that children from infancy to 13 years of age and their parents are eligible, with certain requirements, for child care and development services.

(3) Existing law, effective July 1, 2011, requires the State Department of Education to reduce the maximum reimbursable amounts of the contracts for the Preschool Education Program, the General Child Care Program, the Migrant Day Care Program, the Alternative Payment Program, the CalWORKs Stage 3 Program, and the Allowance for Handicapped Program by 15%, as specified.

This bill would instead provide that the reduction in the maximum reimbursable amounts of the contracts for the programs listed above would be 11%, as specified.

(4) Existing law requires that a child who is 11 or 12 years of age and who is otherwise eligible for subsidized child care and development services, except for his or her age, be given first priority for enrollment, and in cases of programs operating at full capacity, first priority on the waiting list for a before or after school program, as specified. Existing law also requires contractors to provide each family of an otherwise eligible 11 or 12 year old child with information about the availability of before and after school programs located in the family's community.

This bill would instead provide that the preferred placement for children who are 11 or 12 years of age and who are otherwise eligible for subsidized child care and development services is in a before or after school program. The bill would specify criteria for the provision of subsidized child care services for children who are 11 and 12 years of age.

(5) Existing law requires that the cost of state-funded child care services be governed by regional market rates, and establishes a family

fee schedule reflecting specified income eligibility limits. Existing law revises the family fee schedule that was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11 fiscal years to reflect an increase of 10% to existing fees, and requires the State Department of Education to submit an adjusted fee schedule to the Department of Finance for approval in order to be implemented by July 1, 2011.

This bill would delete the provision requiring the fee schedule to reflect a 10% increase in family fees.

(6) Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county and requires the amount of the revenue limit to be adjusted for various factors. Existing law reduces the revenue limit for each school district for the 2011–12 fiscal year by a deficit factor of 19.608%.

This bill instead would set the deficit factor for each school district for the 2011–12 fiscal year at 19.754%.

(7) Under existing law county offices of education receive certain property tax revenues. Existing law requires a revenue limit to be calculated for each county superintendent of schools and requires the amount of the revenue limit to be adjusted for various factors, including the amount of property tax revenues a county office of education receives.

This bill would require the Superintendent of Public Instruction to determine the amount of excess property taxes available to county offices of education and would require the auditor-controller of each county to distribute those amounts first to the school districts in the county for purposes of revenue limits in amounts that do not exceed the amounts that would reduce the state General Fund apportionments for revenue limits for those school districts to zero, and then to distribute any remaining funds to one or more community college districts within the county, as determined by the Chancellor of the California Community Colleges, for purposes of general purpose apportionments, as specified. After those distributions are made, the bill would require any remaining funds to be distributed to local educational agencies within the county for the purpose of providing educationally related mental health services required pursuant to specified federal law and then to the county for the operation of health and human services programs pursuant to a plan developed jointly by the Director of Finance and the Secretary of Health and Human Services. By imposing additional duties on local agency officials, this bill would impose a state-mandated local program.

(8) Existing law requires the Superintendent of Public Instruction to allocate, for the 2010–11 and 2011–12 fiscal years, a supplemental categorical block grant to a charter school that begins operation in the 2008–09, 2009–10, 2010–11, or 2011–12 fiscal year. Existing law requires that this supplemental categorical block grant equal \$127 per unit of charter school average daily attendance as determined at the 2010–11 2nd principal apportionment for schools commencing operations in the 2008–09, 2009–10, or 2010–11 fiscal year and at the 2011–12 2nd principal apportionment for schools commencing operations in the 2011–12 fiscal year. Existing law prohibits a locally funded charter school that converted from a preexisting school between the 2008–09 and 2011–12 fiscal years, inclusive, from receiving these funds.

This bill instead would provide that, to the extent funds are provided, for the 2010–11 to the 2014–15 fiscal years, inclusive, a supplemental categorical block grant would be allocated to charter schools commencing operations during or after the 2008–09 fiscal year. The bill would provide that a locally or direct funded charter school, not just a locally funded charter school, that converted from a preexisting school between the 2008–09 and 2014–15 fiscal years, inclusive, would be prohibited from receiving these funds.

The bill would provide that for, the 2010–11 to the 2014–15 fiscal years, inclusive, the supplemental categorical block grant received by eligible charter schools would equal \$127 per unit of charter school average daily attendance for charter schools commencing operations during or after the 2008–09 fiscal year, as specified.

(9) Existing law requires school districts, county offices of education, and special education local plan areas to comply with state laws that conform to the federal Individuals with Disabilities Education Act (IDEA), in order that the state may qualify for federal funds available for the education of individuals with exceptional needs. Existing law requires school districts, county offices of education, and special education local plan areas to identify, locate, and assess individuals with exceptional needs and to provide those pupils with a free appropriate public education in the least restrictive environment, and with special education and related services as reflected in an individualized education program (IEP). Existing law requires the Superintendent of Public Instruction to administer the special education provisions of the Education Code and to be responsible for assuring provision of, and supervising, education and related services to

individuals with exceptional needs as required pursuant to the federal IDEA.

Existing law authorizes referral, through a prescribed process, of a pupil who is suspected of needing mental health services to a community mental health service. Existing law requires the State Department of Mental Health or a designated community mental health service to be responsible for the provision of mental health services, as defined, if required in a pupil's IEP.

This bill would make these provisions concerning referral for mental health services inoperative as of July 1, 2011, would repeal them as of January 1, 2012, and would make other related conforming changes.

(10) Existing law, for the 2008–09 to the 2014–15 fiscal years, inclusive, provides that the governing board of a school district is not required to provide pupils with instructional materials by a specified period of time following adoption of those materials by the State Board of Education.

This bill would make a technical, nonsubstantive change in this provision by changing its section number.

(11) Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program (Cal Grant Program), establishes the Cal Grant A and B Entitlement Awards, the California Community College Transfer Entitlement Awards, the Competitive Cal Grant A and B Awards, the Cal Grant C Awards, and the Cal Grant T Awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.

Existing law imposes requirements on qualifying institutions, requiring the commission to certify by October 1 of each year the institution's latest 3-year cohort default rate as most recently reported by the United States Department of Education. Existing law provides that an otherwise qualifying institution that did not meet a specified 3-year cohort default rate would be ineligible for new Cal Grant awards at the institution. Under the Cal Grant Program, for the 2012–13 academic year and every academic year thereafter, an otherwise qualifying institution with a 3-year cohort default rate that is equal to or greater than 30% is ineligible for initial or renewal Cal Grant awards at the institution, except as specified.

This bill instead would specify that an otherwise qualifying institution with a 3-year cohort default rate that is equal to or greater than 30%

is ineligible for initial and renewal Cal Grant awards at the institution, except as specified.

(12) Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, the state is required to provide a subvention of funds to reimburse the local government, with specified exceptions. Existing law provides that no local agency or school district is required to implement or give effect to any statute or executive order, or portion thereof, that imposes a mandate during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if specified conditions are met including that the statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. Existing law provides that only certain specified mandates are subject to that provision.

This bill would specify 2 additional mandates relating to community college districts to those that are subject to the provision.

(13) The Administrative Procedure Act, among other things, sets forth procedures for the development, adoption, and promulgation of regulations by administrative agencies charged with the implementation of statutes.

This bill would authorize the State Department of Social Services and the State Department of Education, notwithstanding the procedures required by the Administrative Procedure Act, to implement the provisions of the bill that relate to the Child Care and Development Services Act through all-county letters, management bulletins, or other similar instructions.

(14) This bill would provide that the implementation of the provisions of the bill related to the provision of child care services would not be subject to the appeal and resolution procedures for agencies that contract with the State Department of Education for these purposes.

(15) This bill would express the intent of the Legislature that specified funding in the Budget Act of 2011 related to educationally related mental health services would be exclusively available only for the 2011–12 and 2012–13 fiscal years.

(16) This bill would express the intent of the Legislature that the State Department of Education and the appropriate departments within the California Health and Human Services Agency modify or repeal regulations pertaining to the elimination of statutes pursuant to this

bill related to mental health services provided by county mental health agencies. The bill would require the State Department of Education and the appropriate departments within the California Health and Human Services Agency to review regulations to ensure appropriate implementation of educationally related mental health services required by the federal Individuals with Disabilities Education Act and of certain statutes enacted pursuant to this bill. The bill would authorize the State Department of Education and the appropriate departments within the California Health and Human Services Agency to utilize the statutory process for adopting emergency regulations in implementing certain statutes enacted pursuant to this bill.

(17) This bill would authorize the Controller to defer, as necessary, the June 2012 allocations to the University of California until not later than August 31, 2012, for purposes of cash management.

(18) This bill would make conforming changes, correct some cross-references, and make other technical, nonsubstantive changes.

(19) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

(20) Existing law requires the State Department of Education to award grants to school districts, county superintendents of schools, or entities approved by the department for nonrecurring expenses incurred in initiating or expanding a school breakfast program or a summer food service program.

This bill would make an appropriation of \$1,000 for purposes of these grants.

(21) The funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(22) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

~~*(1) Existing law defines a felony as a crime which is punishable with death or by imprisonment in the state prison. Existing law also provides that except in cases where a different punishment is prescribed by law,*~~

~~every offense declared to be a felony, or to be punishable by imprisonment in a state prison, is punishable by imprisonment in any of the state prisons for 16 months, or 2 or 3 years. Every offense which is prescribed to be a felony punishable by imprisonment in any of the state prisons or by a fine, but without an alternate sentence to the county jail, may be punishable by imprisonment in the county jail not exceeding one year or by a fine, or by both.~~

~~This bill would instead provide that a felony is a crime that is punishable with death, by imprisonment in the state prison, or notwithstanding any other provision of law, by imprisonment in a county jail for more than one year. The bill would generally provide that felonies are punishable by imprisonment in a county jail for 16 months, or 2 or 3 years. The bill provides exceptions to imprisonment in a county jail for a variety of felonies, including serious felonies and violent felonies, as defined, felonies requiring registration as a sex offender, and when the defendant has a prior conviction for a serious or violent felony, or a felony subjecting the defendant to registration as a sex offender, among other exceptions.~~

~~The bill would authorize counties to contract with the Department of Corrections and Rehabilitation for beds in state prisons for the commitment of persons from the county convicted of a felony.~~

~~(2) Existing law establishes within the Department of Corrections and Rehabilitation, the Division of Juvenile Justice, consisting of the Division of Juvenile Facilities, the Division of Juvenile Programs, and the Division of Juvenile Parole Operations, which operate the statewide system governing wards of the court and other persons committed to the department, and the detention, rehabilitation, probation, and parole thereof. Under existing law, and under specified circumstances, the juvenile court is authorized to commit persons to the Division of Juvenile Justice.~~

~~This bill would provide that on and after July 1, 2011, unless a county has entered a memorandum of understanding with the state, the Division of Juvenile Justice shall no longer accept any juvenile offender commitments from the juvenile courts. The bill would, notwithstanding any other law and on and after July 1, 2011, authorize a county to enter into a memorandum of understanding with the state to provide for the admission of minors adjudicated for specified offenses to the Division of Juvenile Justice.~~

~~(3) Existing law authorizes the board of supervisors of any county to authorize the correctional administrator to offer a program under~~

~~which minimum security inmates and low-risk offenders committed to a county jail or other county correctional facility or granted probation, or inmates participating in a work furlough program, may voluntarily participate in a home detention program in lieu of confinement in the county jail or other county correctional facility under the auspices of the probation officer. Existing law provides that the board of supervisors of any county may, upon determination by the correctional administrator that conditions in a jail facility warrant the necessity of releasing sentenced misdemeanor inmates prior to their serving the full amount of a given sentence due to lack of jail space, offer a program under which specified inmates may be required to participate in an involuntary home detention program.~~

~~This bill would enhance the authorization granted to the correctional administrator to offer a voluntary home detention program to include all inmates and additionally subject those inmates to involuntary participation in a home detention program. The bill would provide that the board of supervisors of any county may authorize the correctional administrator to offer a program under which inmates being held in lieu of bail may be placed in an electronic monitoring program, as specified. The bill would establish criteria for inmates to be eligible for the electronic monitoring program. The bill would make it a misdemeanor for any inmate who is a participant in an electronic monitoring program to fail to comply with the prescribed rules and regulations. By creating a new crime, the bill would impose a state-mandated local program.~~

~~(4) Existing law provides for an administrative and application fee for specified work furlough and voluntary electronic home detention program participants. Existing law limits the fees to the pro rata cost of the program to which the person is accepted, as specified. Existing law exempts privately operated voluntary electronic monitoring programs from this fee limitation.~~

~~This bill would additionally exempt electronic monitoring programs created by this bill from the fee limitation.~~

~~(5) Existing law provides that in all felony and misdemeanor convictions when the defendant has been in custody, including, but not limited to, any time spent in a jail, camp, work furlough, facility, halfway house, rehabilitation facility, hospital, prison, juvenile detention facility, or similar residential institution, all days of custody of the defendant, including days served as a condition of probation credited to the period of confinement, as specified, shall be credited upon his or her term of imprisonment, or credited to any fine, as specified.~~

This bill includes all days served in a home detention program to that provision, as specified. The bill would also provide that time served in a home detention program, as specified, shall qualify as mandatory time in jail.

~~(6) Existing law provides that in regards to persons sentenced to the state prison, except for certain specified prisoners, for every 6 months of continuous incarceration, a prisoner shall be awarded credit reductions from his or her term of confinement of 6 months, as specified, and that a lesser amount of credit based on this ratio shall be awarded for any lesser period of continuous incarceration. Credit accumulated pursuant to those provisions may be denied or lost for any specified act committed by the prisoner, including acts for misconduct that could be prosecuted as a felony or a misdemeanor, or misconduct that is a serious disciplinary offense. Existing law requires the Department of Corrections and Rehabilitation to provide notice to a prisoner regarding the denial or loss of credits and permits the prisoner to appeal the decision of the department, as specified.~~

~~This bill would provide that credit accumulated while a prisoner is confined to a county jail, city jail, industrial farm, or road camp may be denied or lost for any specified act. The bill would require, for those prisoners confined to a county jail, city jail, industrial farm, or road camp, the sheriff or director of the county correctional department to provide notice to a prisoner regarding the denial or loss of credits and would permit the prisoner to appeal the decision of the sheriff or director of the county correctional department, as specified. By imposing additional duties on local law enforcement agencies, this bill would impose a state-mandated local program.~~

~~(7) Existing law provides time credit for work performance and good behavior to prisoners confined to a county jail, industrial farm, or road camp, or any city jail, industrial farm, or road camp. Specifically, except regarding certain prisoners who are limited to 15% credit against sentenced time, existing law provides that a term of 6 days will be deemed to have been served for every 4 days spent in actual custody, as specified.~~

~~This bill would require, for prisoners whose crimes are committed on or after July 1, 2011, except those who are limited to 15% credit against sentenced time, and who are confined to a county jail, city jail, industrial farm, or road camp, that a term of 4 days be deemed to have been served for every 2 days spent in actual custody, as specified.~~

~~(8) Existing law generally provides that the Board of Parole Hearings, a state agency, shall have the power to allow prisoners imprisoned in the state prisons to go upon parole outside the prison walls and enclosures, as specified. Existing law authorizes each county to establish a local Community Corrections Partnership to provide a system of felony probation supervision services, as specified.~~

~~This bill would enact the Postrelease Community Supervision Act of 2011 to provide that any person released from prison on or after July 1, 2011, after serving a term in prison for certain felonies that are, among other things, not serious or violent, shall be subject to, for a period not exceeding 3 years, community supervision provided by a county agency designated by that county's board of supervisors, as prescribed. By imposing additional duties as local agencies, this bill would impose a state-mandated local program. The bill would also require the courts to establish a process to determine if there has been a violation of the conditions of the postrelease supervision, and the courts would be authorized to take certain actions upon such a finding. The bill would establish within each county local Community Corrections Partnership an executive committee, as specified, to recommend a local plan to the county board of supervisors on how the 2011 public safety realignment should be implemented within that county.~~

~~(9) Existing law generally commits persons convicted of felonies to the jurisdiction of the Department of Corrections and Rehabilitation. Existing law also provides for parole of those felons, under the jurisdiction of the Board of Parole Hearings.~~

~~This bill would limit the jurisdiction of the Board of Parole Hearings for purposes of parole supervision by providing that persons who are released from prison after serving terms for a serious felony, as defined, a violent felony, as defined, a term imposed because of 2 or more prior felony convictions, as specified, or a term for an offense whereby the person may be classified as a High Risk Sex Offender, would be subject to parole supervision by the department or the court, as specified.~~

~~The bill would require that any parolee who was paroled from state prison prior to July 1, 2011, be subject to certain parole supervision requirements, including, but not limited to, that he or she remain under the supervision of the department until a specified circumstance occurs, and that those parolees, being held for a parole violation in county jail on July 1, 2011, be subject to the jurisdiction of the board. Eligible parolees released from prison after serving terms for a serious felony, a violent felony, a term imposed because of 2 or more prior felony~~

convictions, as specified, or a term for an offense whereby the person may be classified as a High Risk Sex Offender, whose parole is revoked by the board, would be remanded to state prison, and after his or her release jurisdiction over the parolee would remain under the Division of Adult Parole Operations. Any subsequent revocation action would be conducted by the court in the county into which the parolee was released.

(10) Existing law, as amended by Proposition 83 when that initiative was approved by the voters at the November 7, 2006, statewide general election, requires a person who has been convicted of a specified sex offense and who has been released on parole from state prison, to be discharged from parole by the board if he or she has been on parole continuously for 6 years since release from confinement, or 20 years in the case of conviction for specified sex offenses, unless the board determines, for good cause, that the person will be retained on parole. A measure that amends Proposition 83 requires a $\frac{2}{3}$ vote in each house unless the measure expands the scope of the application of the proposition's provisions or increases the punishments or penalties provided therein.

This bill would transfer the above-referenced duties from the board to the courts. The bill would increase the above-described parole periods to 6 $\frac{1}{2}$ years and 21 $\frac{1}{2}$ years, respectively.

(11) Existing law generally requires an inmate who is released on parole to be returned to the county that was the last legal residence of the inmate prior to his or her incarceration. Existing law also requires the department to release specified information regarding paroled inmates to local law enforcement, as specified, and to control and be responsible for the Law Enforcement Automated Data System (LEADS) regarding that information.

This bill would generally require an inmate who is released under a postrelease supervision program to be returned to the county that was the last legal residence of the inmate prior to his or her incarceration. The bill would also require the Department of Corrections and Rehabilitation to include information on inmates released under a postrelease supervision program in LEADS. The bill would require county agencies supervising inmates released under a postrelease supervision program to provide to the department any inmate information requested by the department that is to be used in LEADS. By imposing new duties on local agencies, the bill would impose a state-mandated local program.

~~(12) The bill would make additional conforming changes.~~

~~(13) By imposing additional burdens on local government entities, this bill would impose a state-mandated local program.~~

~~(14) The bill would become operative no earlier than July 1, 2011, and only upon creation of a community corrections grant program to assist in implementing this act and upon an appropriation to fund the grant program.~~

~~(15) This bill would appropriate \$1000 from the General Fund to the Department of Corrections and Rehabilitation for purposes of state operations.~~

~~(16) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.~~

~~With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.~~

~~(17) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on January 20, 2011.~~

~~This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.~~

~~(18) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.~~

~~Vote: $\frac{2}{3}$ -majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.~~

The people of the State of California do enact as follows:

1 *SECTION 1. Section 2558.46 of the Education Code is amended*
2 *to read:*

3 2558.46. (a) (1) For the 2003–04 fiscal year, the revenue limit
4 for each county superintendent of schools determined pursuant to
5 this article shall be reduced by a 1.195 percent deficit factor.

1 (2) For the 2004–05 fiscal year, the revenue limit for each county
2 superintendent of schools determined pursuant to this article shall
3 be reduced by a 0.323 percent deficit factor.

4 (3) For the 2003–04 and 2004–05 fiscal years, the revenue limit
5 for each county superintendent of schools determined pursuant to
6 this article shall be reduced further by a 1.826 percent deficit factor.

7 (4) For the 2005–06 fiscal year, the revenue limit for each county
8 superintendent of schools determined pursuant to this article shall
9 be reduced further by a 0.898 percent deficit factor.

10 (5) For the 2008–09 fiscal year, the revenue limit for each county
11 superintendent of schools determined pursuant to this article shall
12 be reduced by a 7.839 percent deficit factor.

13 (6) For the 2009–10 fiscal year, the revenue limit for each county
14 superintendent of schools determined pursuant to this article shall
15 be reduced by an 18.621 percent deficit factor.

16 (7) For the 2010–11 fiscal year, the revenue limit for each county
17 superintendent of schools determined pursuant to this article shall
18 be reduced by an 18.250 percent deficit factor.

19 (8) For the 2011–12 fiscal year, the revenue limit for each county
20 superintendent of schools determined pursuant to this article shall
21 be reduced by a ~~19.892~~ *20.041* percent deficit factor.

22 (b) In computing the revenue limit for each county
23 superintendent of schools for the 2006–07 fiscal year pursuant to
24 this article, the revenue limit shall be determined as if the revenue
25 limit for that county superintendent of schools had been determined
26 for the 2003–04, 2004–05, and 2005–06 fiscal years without being
27 reduced by the deficit factors specified in subdivision (a).

28 (c) In computing the revenue limit for each county
29 superintendent of schools for the 2010–11 fiscal year pursuant to
30 this article, the revenue limit shall be determined as if the revenue
31 limit for that county superintendent of schools had been determined
32 for the 2009–10 fiscal year without being reduced by the deficit
33 factors specified in subdivision (a).

34 (d) In computing the revenue limit for each county
35 superintendent of schools for the 2011–12 fiscal year pursuant to
36 this article, the revenue limit shall be determined as if the revenue
37 limit for that county superintendent of schools had been determined
38 for the 2010–11 fiscal year without being reduced by the deficit
39 factors specified in subdivision (a).

(e) In computing the revenue limit for each county superintendent of schools for the 2012–13 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of schools had been determined for the 2011–12 fiscal year without being reduced by the deficit factor specified in subdivision (a).

SEC. 2. Section 8201 of the Education Code is amended to read:

8201. The purpose of this chapter is as follows:

(a) To provide a comprehensive, coordinated, and cost-effective system of child care and development services for children ~~who are 10 years of age or younger, for children with exceptional needs as defined in subdivision (l) of Section 8208, for children 12 years of age or younger who are recipients of child protective services or at risk of abuse, neglect, or exploitation as described in subparagraph (D) of paragraph (1) of subdivision (a) of Section 8263 and as defined in subdivision (k) of Section 8208, for children 12 years of age or younger who are provided services during nontraditional hours as defined in subdivision (a) of Section 8208, for children 12 years of age or younger who are homeless as described in subparagraph (C) of paragraph (1) of subdivision (a) of Section 8263, and for children who are 11 and 12 years of age, as funding permits, pursuant to subdivision (h) of Section 8447 from infancy to 13 years of age and their parents~~, including a full range of supervision, health, and support services through full- and part-time programs.

(b) To encourage community-level coordination in support of child care and development services.

(c) To provide an environment that is healthy and nurturing for all children in child care and development programs.

(d) To provide the opportunity for positive parenting to take place through understanding of human growth and development.

(e) To reduce strain between parent and child in order to prevent abuse, neglect, or exploitation.

(f) To enhance the cognitive development of children, with particular emphasis upon those children who require special assistance, including bilingual capabilities to attain their full potential.

(g) To establish a framework for the expansion of child care and development services.

1 (h) To empower and encourage parents and families of children
2 who require child care services to take responsibility to review the
3 safety of the child care program or facility and to evaluate the
4 ability of the program or facility to meet the needs of the child.

5 *SEC. 3. Section 8208 of the Education Code is amended to*
6 *read:*

7 8208. As used in this chapter:

8 (a) “Alternative payments” includes payments that are made by
9 one child care agency to another agency or child care provider for
10 the provision of child care and development services, and payments
11 that are made by an agency to a parent for the parent’s purchase
12 of child care and development services.

13 (b) “Alternative payment program” means a local government
14 agency or nonprofit organization that has contracted with the
15 department pursuant to Section 8220.1 to provide alternative
16 payments and to provide support services to parents and providers.

17 (c) “Applicant or contracting agency” means a school district,
18 community college district, college or university, county
19 superintendent of schools, county, city, public agency, private
20 nontax-exempt agency, private tax-exempt agency, or other entity
21 that is authorized to establish, maintain, or operate services
22 pursuant to this chapter. Private agencies and parent cooperatives,
23 duly licensed by law, shall receive the same consideration as any
24 other authorized entity with no loss of parental decisionmaking
25 prerogatives as consistent with the provisions of this chapter.

26 (d) “Assigned reimbursement rate” is that rate established by
27 the contract with the agency and is derived by dividing the total
28 dollar amount of the contract by the minimum child day of average
29 daily enrollment level of service required.

30 (e) “Attendance” means the number of children present at a
31 child care and development facility. “Attendance,” for the purposes
32 of reimbursement, includes excused absences by children because
33 of illness, quarantine, illness or quarantine of their parent, family
34 emergency, or to spend time with a parent or other relative as
35 required by a court of law or that is clearly in the best interest of
36 the child.

37 (f) “Capital outlay” means the amount paid for the renovation
38 and repair of child care and development facilities to comply with
39 state and local health and safety standards, and the amount paid

1 for the state purchase of relocatable child care and development
2 facilities for lease to qualifying contracting agencies.

3 (g) “Caregiver” means a person who provides direct care,
4 supervision, and guidance to children in a child care and
5 development facility.

6 (h) “Child care and development facility” means any residence
7 or building or part thereof in which child care and development
8 services are provided.

9 (i) “Child care and development programs” means those
10 programs that offer a full range of services for children ~~who are~~
11 ~~10 years of age or younger, for children with exceptional needs as~~
12 ~~defined in subdivision (l), for children 12 years of age or younger~~
13 ~~who are recipients of child protective services or at risk of abuse,~~
14 ~~neglect, or exploitation as described in subparagraph (D) of~~
15 ~~paragraph (1) of subdivision (a) of Section 8263 and as defined in~~
16 ~~subdivision (k), for children 12 years of age or younger who are~~
17 ~~provided services during nontraditional hours as defined in~~
18 ~~subdivision (a), for children 12 years of age or younger who are~~
19 ~~homeless as described in subparagraph (C) of paragraph (1) of~~
20 ~~subdivision (a) of Section 8263, and for children who are 11 and~~
21 ~~12 years of age, as funding permits, pursuant to subdivision (h) of~~
22 ~~Section 8447 from infancy to 13 years of age, for any part of a~~
23 ~~day, by a public or private agency, in centers and family child care~~
24 ~~homes. These programs include, but are not limited to, all of the~~
25 ~~following:~~

26 (1) General child care and development.

27 (2) Migrant child care and development.

28 (3) Child care provided by the California School Age Families
29 Education Program (Article 7.1 (commencing with Section 54740)
30 of Chapter 9 of Part 29 of Division 4 of Title 2).

31 (4) California state preschool program.

32 (5) Resource and referral.

33 (6) Child care and development services for children with
34 exceptional needs.

35 (7) Family child care home education network.

36 (8) Alternative payment.

37 (9) Schoolage community child care.

38 (j) “Child care and development services” means those services
39 designed to meet a wide variety of needs of children and their
40 families, while their parents or guardians are working, in training,

1 seeking employment, incapacitated, or in need of respite. These
2 services may include direct care and supervision, instructional
3 activities, resource and referral programs, and alternative payment
4 arrangements.

5 (k) “Children at risk of abuse, neglect, or exploitation” means
6 children who are so identified in a written referral from a legal,
7 medical, or social service agency, or emergency shelter.

8 (l) “Children with exceptional needs” means either of the
9 following:

10 (1) Infants and toddlers under three years of age who have been
11 determined to be eligible for early intervention services pursuant
12 to the California Early Intervention Services Act (Title 14
13 (commencing with Section 95000) of the Government Code) and
14 its implementing regulations. These children include an infant or
15 toddler with a developmental delay or established risk condition,
16 or who is at high risk of having a substantial developmental
17 disability, as defined in subdivision (a) of Section 95014 of the
18 Government Code. These children shall have active individualized
19 family service plans, shall be receiving early intervention services,
20 and shall be children who require the special attention of adults in
21 a child care setting.

22 (2) Children ages 3 to 21 years, inclusive, who have been
23 determined to be eligible for special education and related services
24 by an individualized education program team according to the
25 special education requirements contained in Part 30 (commencing
26 with Section 56000) of Division 4 of Title 2, and who meet
27 eligibility criteria described in Section 56026 and, Article 2.5
28 (commencing with Section 56333) of Chapter 4 of Part 30 of
29 Division 4 of Title 2, and Sections 3030 and 3031 of Title 5 of the
30 California Code of Regulations. These children shall have an active
31 individualized education program, shall be receiving early
32 intervention services or appropriate special education and related
33 services, and shall be children who require the special attention of
34 adults in a child care setting. These children include children with
35 mental retardation, hearing impairments (including deafness),
36 speech or language impairments, visual impairments (including
37 blindness), serious emotional disturbance (also referred to as
38 emotional disturbance), orthopedic impairments, autism, traumatic
39 brain injury, other health impairments, or specific learning
40 disabilities, who need special education and related services

1 consistent with Section 1401(3)(A) of Title 20 of the United States
2 Code.

3 (m) “Closedown costs” means reimbursements for all approved
4 activities associated with the closing of operations at the end of
5 each growing season for migrant child development programs
6 only.

7 (n) “Cost” includes, but is not limited to, expenditures that are
8 related to the operation of child care and development programs.
9 “Cost” may include a reasonable amount for state and local
10 contributions to employee benefits, including approved retirement
11 programs, agency administration, and any other reasonable program
12 operational costs. “Cost” may also include amounts for licensable
13 facilities in the community served by the program, including lease
14 payments or depreciation, downpayments, and payments of
15 principal and interest on loans incurred to acquire, rehabilitate, or
16 construct licensable facilities, but these costs shall not exceed fair
17 market rents existing in the community in which the facility is
18 located. “Reasonable and necessary costs” are costs that, in nature
19 and amount, do not exceed what an ordinary prudent person would
20 incur in the conduct of a competitive business.

21 (o) “Elementary school,” as contained in former Section 425 of
22 Title 20 of the United States Code (the National Defense Education
23 Act of 1958, Public Law 85-864, as amended), includes early
24 childhood education programs and all child development programs,
25 for the purpose of the cancellation provisions of loans to students
26 in institutions of higher learning.

27 (p) “Family child care home education network” means an entity
28 organized under law that contracts with the department pursuant
29 to Section 8245 to make payments to licensed family child care
30 home providers and to provide educational and support services
31 to those providers and to children and families eligible for
32 state-subsidized child care and development services. A family
33 child care home education network may also be referred to as a
34 family child care home system.

35 (q) “Health services” include, but are not limited to, all of the
36 following:

37 (1) Referral, whenever possible, to appropriate health care
38 providers able to provide continuity of medical care.

39 (2) Health screening and health treatment, including a full range
40 of immunization recorded on the appropriate state immunization

1 form to the extent provided by the Medi-Cal Act (Chapter 7
2 (commencing with Section 14000) of Part 3 of Division 9 of the
3 Welfare and Institutions Code) and the Child Health and Disability
4 Prevention Program (Article 6 (commencing with Section 124025)
5 of Chapter 3 of Part 2 of Division 106 of the Health and Safety
6 Code), but only to the extent that ongoing care cannot be obtained
7 utilizing community resources.

8 (3) Health education and training for children, parents, staff,
9 and providers.

10 (4) Followup treatment through referral to appropriate health
11 care agencies or individual health care professionals.

12 (r) “Higher educational institutions” means the Regents of the
13 University of California, the Trustees of the California State
14 University, the Board of Governors of the California Community
15 Colleges, and the governing bodies of any accredited private
16 nonprofit institution of postsecondary education.

17 (s) “Intergenerational staff” means persons of various
18 generations.

19 (t) “Limited-English-speaking-proficient and
20 non-English-speaking-proficient children” means children who
21 are unable to benefit fully from an English-only child care and
22 development program as a result of either of the following:

23 (1) Having used a language other than English when they first
24 began to speak.

25 (2) Having a language other than English predominantly or
26 exclusively spoken at home.

27 (u) “Parent” means a biological parent, stepparent, adoptive
28 parent, foster parent, caretaker relative, or any other adult living
29 with a child who has responsibility for the care and welfare of the
30 child.

31 (v) “Program director” means a person who, pursuant to Sections
32 8244 and 8360.1, is qualified to serve as a program director.

33 (w) “Proprietary child care agency” means an organization or
34 facility providing child care, which is operated for profit.

35 (x) “Resource and referral programs” means programs that
36 provide information to parents, including referrals and coordination
37 of community resources for parents and public or private providers
38 of care. Services frequently include, but are not limited to: technical
39 assistance for providers, toy-lending libraries, equipment-lending
40 libraries, toy- and equipment-lending libraries, staff development

1 programs, health and nutrition education, and referrals to social
2 services.

3 (y) “Severely disabled children” are children with exceptional
4 needs from birth to 21 years of age, inclusive, who require intensive
5 instruction and training in programs serving pupils with the
6 following profound disabilities: autism, blindness, deafness, severe
7 orthopedic impairments, serious emotional disturbances, or severe
8 mental retardation. “Severely disabled children” also include those
9 individuals who would have been eligible for enrollment in a
10 developmental center for handicapped pupils under Chapter 6
11 (commencing with Section 56800) of Part 30 of Division 4 of Title
12 2 as it read on January 1, 1980.

13 (z) “Short-term respite child care” means child care service to
14 assist families whose children have been identified through written
15 referral from a legal, medical, or social service agency, or
16 emergency shelter as being neglected, abused, exploited, or
17 homeless, or at risk of being neglected, abused, exploited, or
18 homeless. Child care is provided for less than 24 hours per day in
19 child care centers, treatment centers for abusive parents, family
20 child care homes, or in the child’s own home.

21 (aa) (1) “Site supervisor” means a person who, regardless of
22 his or her title, has operational program responsibility for a child
23 care and development program at a single site. A site supervisor
24 shall hold a permit issued by the Commission on Teacher
25 Credentialing that authorizes supervision of a child care and
26 development program operating in a single site. The Superintendent
27 may waive the requirements of this subdivision if the
28 Superintendent determines that the existence of compelling need
29 is appropriately documented.

30 (2) For California state preschool programs, a site supervisor
31 may qualify under any of the provisions in this subdivision, or
32 may qualify by holding an administrative credential or an
33 administrative services credential. A person who meets the
34 qualifications of a program director under both Sections 8244 and
35 8360.1 is also qualified under this subdivision.

36 (ab) “Standard reimbursement rate” means that rate established
37 by the Superintendent pursuant to Section 8265.

38 (ac) “Startup costs” means those expenses an agency incurs in
39 the process of opening a new or additional facility prior to the full
40 enrollment of children.

1 (ad) “California state preschool program” means part-day and
2 full-day educational programs for low-income or otherwise
3 disadvantaged three- and four-year-old children.

4 (ae) “Support services” means those services that, when
5 combined with child care and development services, help promote
6 the healthy physical, mental, social, and emotional growth of
7 children. Support services include, but are not limited to: protective
8 services, parent training, provider and staff training, transportation,
9 parent and child counseling, child development resource and
10 referral services, and child placement counseling.

11 (af) “Teacher” means a person with the appropriate permit issued
12 by the Commission on Teacher Credentialing who provides
13 program supervision and instruction that includes supervision of
14 a number of aides, volunteers, and groups of children.

15 (ag) “Underserved area” means a county or subcounty area,
16 including, but not limited to, school districts, census tracts, or ZIP
17 Code areas, where the ratio of publicly subsidized child care and
18 development program services to the need for these services is
19 low, as determined by the Superintendent.

20 (ah) “Workday” means the time that the parent requires
21 temporary care for a child for any of the following reasons:

22 (1) To undertake training in preparation for a job.

23 (2) To undertake or retain a job.

24 (3) To undertake other activities that are essential to maintaining
25 or improving the social and economic function of the family, are
26 beneficial to the community, or are required because of health
27 problems in the family.

28 (ai) “Three-year-old children” means children who will have
29 their third birthday on or before December 2 of the fiscal year in
30 which they are enrolled in a California state preschool program.

31 (aj) “Four-year-old children” means children who will have
32 their fourth birthday on or before December 2 of the fiscal year in
33 which they are enrolled in a California state preschool program.

34 (ak) “Local educational agency” means a school district, a
35 county office of education, a community college district, or a
36 school district on behalf of one or more schools within the school
37 district.

38 ~~(al) “Nontraditional hours” means that the parent or legal~~
39 ~~guardian has a certified need for child care that includes hours~~
40 ~~during the period from 6:00 p.m. to 6:00 a.m. on any day of the~~

~~week or during any period between 6:00 a.m. Saturday to 6:00 a.m. Monday.~~

SEC. 4. Section 8263.2 of the Education Code is amended to read:

8263.2. (a) Notwithstanding any other ~~provision of~~ law, effective July 1, 2011, the department shall reduce the maximum reimbursable amounts of the contracts for the Preschool Education Program, the General Child Care Program, the Migrant Day Care Program, the Alternative Payment Program, the CalWORKs Stage 3 Program, and the Allowance for Handicapped Program by ~~15~~ 11 percent. The department may consider the contractor's performance or whether the contractor serves children in underserved areas as defined in subdivision (ag) of Section 8208 when determining contract reductions, provided that the aggregate reduction to each program specified in this subdivision is ~~15~~ 11 percent.

(b) Notwithstanding any other ~~provision of~~ law, effective July 1, 2011, families shall be disenrolled from subsidized child care services, consistent with the priorities for services specified in subdivision (b) of Section 8263. Families shall be disenrolled in the following order:

(1) Families whose income exceeds 70 percent of the state median income (SMI) adjusted for family size, except for families whose children are receiving child protective services or are at risk of being neglected or abused.

(2) Families with the highest income below 70 percent of the SMI, in relation to family size.

(3) Families that have the same income and have been enrolled in child care services the longest.

(4) Families that have the same income and have a child with exceptional needs.

(5) Families whose children are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

SEC. 5. Section 8263.4 of the Education Code is amended to read:

8263.4. (a) ~~Beginning on July 1, 2011, a child~~ *The preferred placement for children who are 11 or 12 years of age and who are otherwise eligible for subsidized child care and development services except for his or her age, as specified in subdivision (a)*

1 of Section 8201 and subdivision (i) of Section 8208, shall be given
2 first priority for enrollment, and in cases of programs operating at
3 full capacity, first priority on the waiting list for a before or after
4 school program established pursuant to Article 22.5 (commencing
5 with Section 8482) or Article 22.6 (commencing with Section
6 8484.7). Contractors shall provide each family of an otherwise
7 eligible 11 or 12 year old with information about the availability
8 of before and after school programs located in the family's
9 community *shall be in a before or after school program.*

10 (b) A program with available capacity may enroll a child who
11 is 11 or 12 years of age pursuant to subdivision (a) and resides
12 outside the attendance area of the school, but within the territorial
13 jurisdiction of the same local educational agency. A program is
14 not responsible for providing transportation for children enrolled
15 in the program who resides outside the attendance area of the
16 school.

17 (c) This section does not apply to an 11 or 12 year old child
18 who is a recipient of child protective services or at risk of abuse,
19 neglect, or exploitation as described in subparagraph (D) of
20 paragraph (1) of subdivision (a) of Section 8263 and as defined in
21 subdivision (k) of Section 8208, a child 12 years of age or younger
22 who is provided services during nontraditional hours as defined
23 in subdivision (a) of Section 8208, children 12 years of age or
24 younger who are homeless as described in subparagraph (C) of
25 paragraph (1) of subdivision (a) of Section 8263, or an 11 or 12
26 year old child with a disability, including a child with exceptional
27 needs who has an individualized education program as required
28 by the federal Individuals with Disabilities Education Act (20
29 U.S.C. Sec. 1400 et seq.), Section 504 of the federal Rehabilitation
30 Act of 1973 (29 U.S.C. Sec. 794), or Part 30 (commencing with
31 Section 56000) of Division 4 of Title 2.

32 (b) *Children who are 11 or 12 years of age shall be eligible for*
33 *subsidized child care services only for the portion of care needed*
34 *that is not available in a before or after school program provided*
35 *pursuant to Article 22.5 (commencing with Section 8482) or Article*
36 *22.6 (commencing with Section 8484.7). Contractors shall provide*
37 *each family of an eligible 11 or 12 year old with the option of*
38 *combining care provided in a before or after school program with*
39 *subsidized child care in another setting, for those hours within a*

1 day when the before or after school program does not operate, in
2 order to meet the child care needs of the family.

3 (c) Children who are 11 or 12 years of age, who are eligible
4 for and who are receiving subsidized child care services, and for
5 whom a before or after school program is not available, shall
6 continue to receive subsidized child care services.

7 (d) A before or after school program shall be considered not
8 available when a parent certifies in writing, on a form provided
9 by the department that is translated into the parent's primary
10 language pursuant to Sections 7295.4 and 7296.2 of the
11 Government Code, the reason or reasons why the program would
12 not meet the child care needs of the family. The reasons why a
13 before or after school program shall be considered not available
14 shall include, but not be limited to, any of the following:

15 (1) The program does not provide services when needed during
16 the year, such as during the summer, school breaks, or intersession.

17 (2) The program does not provide services when needed during
18 the day, such as in the early morning, evening, or weekend hours.

19 (3) The program is too geographically distant from the child's
20 school of attendance.

21 (4) The program is too geographically distant from the parents'
22 residence.

23 (5) Use of the program would create substantial transportation
24 obstacles for the family.

25 (6) Any other reason that makes the use of before or after school
26 care inappropriate for the child or burdensome on the family.

27 (e) If an 11 or 12 year old child who is enrolled in a subsidized
28 child development program becomes ineligible for subsidized child
29 care under subdivision (b) and is disenrolled from the before or
30 after school program, or if the before or after school program no
31 longer meets the child care needs of the family, the child shall be
32 given priority to return to the subsidized child care services upon
33 the parent's notification of the contractor of the need for child
34 care.

35 (f) This section does not apply to an 11 or 12 year old child with
36 a disability, including a child with exceptional needs who has an
37 individualized education program as required by the federal
38 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400
39 et seq.), Section 504 of the federal Rehabilitation Act of 1973 (29

1 U.S.C. Sec. 794), or Part 30 (commencing with Section 56000) of
2 Division 4 of Title 2.

3 (g) The savings generated each contract year by the
4 implementation of the changes made to this section by the act
5 amending this section during the 2005–06 Regular Session shall
6 remain with each alternative payment program, child development
7 center, or other contractor for the provision of child care services,
8 except for care provided by programs pursuant to Article 15.5
9 (commencing with Section 8350). Each contractor shall report
10 annually to the department the amount of savings resulting from
11 this implementation, and the department shall report annually to
12 the Legislature the amount of savings statewide resulting from
13 that implementation.

14 SEC. 6. Section 8447 of the Education Code is amended to
15 read:

16 8447. (a) The Legislature hereby finds and declares that greater
17 efficiencies may be achieved in the execution of state subsidized
18 child care and development program contracts with public and
19 private agencies by the timely approval of contract provisions by
20 the Department of Finance, the Department of General Services,
21 and the State Department of Education and by authorizing the State
22 Department of Education to establish a multiyear application,
23 contract expenditure, and service review as may be necessary to
24 provide timely service while preserving audit and oversight
25 functions to protect the public welfare.

26 (b) (1) The Department of Finance and the Department of
27 General Services shall approve or disapprove annual contract
28 funding terms and conditions, including both family fee schedules
29 and regional market rate schedules that are required to be adhered
30 to by contract, and contract face sheets submitted by the State
31 Department of Education not more than 30 working days from the
32 date of submission, unless unresolved conflicts remain between
33 the Department of Finance, the State Department of Education,
34 and the Department of General Services. The State Department of
35 Education shall resolve conflicts within an additional 30 working
36 day time period. Contracts and funding terms and conditions shall
37 be issued to child care contractors no later than June 1. Applications
38 for new child care funding shall be issued not more than 45
39 working days after the effective date of authorized new allocations
40 of child care moneys.

1 (2) Notwithstanding paragraph (1), the State Department of
2 Education shall implement the regional market rate schedules
3 based upon the county aggregates, as determined by the Regional
4 Market survey conducted in 2005.

5 (3) Notwithstanding paragraph (1), for the 2006–07 fiscal year,
6 the State Department of Education shall update the family fee
7 schedules by family size, based on the 2005 state median income
8 survey data for a family of four. The family fee schedule used
9 during the 2005–06 fiscal year shall remain in effect. However,
10 the department shall adjust the family fee schedule for families
11 that are newly eligible to receive or will continue to receive services
12 under the new income eligibility limits. The family fees shall not
13 exceed 10 percent of the family’s monthly income.

14 (4) Notwithstanding any other law, the family fee schedule that
15 was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11
16 fiscal years shall be adjusted to reflect the income eligibility limits
17 specified in subdivision (b) of Section 8263.1 for the 2011–12
18 fiscal year, and shall retain a flat fee per family. The revised family
19 fee schedule shall begin at income levels at which families
20 currently begin paying fees, ~~and shall reflect an increase of 10~~
21 ~~percent to existing fees.~~ The revised family fees shall not exceed
22 10 percent of the family’s monthly income. The State Department
23 of Education shall first submit the adjusted fee schedule to the
24 Department of Finance for approval in order to be implemented
25 by July 1, 2011.

26 (5) It is the intent of the Legislature to fully fund the third stage
27 of child care for former CalWORKs recipients.

28 (c) With respect to subdivision (b), it is the intent of the
29 Legislature that the Department of Finance annually review
30 contract funding terms and conditions for the primary purpose of
31 ensuring consistency between child care contracts and the child
32 care budget. This review shall include evaluating any proposed
33 changes to contract language or other fiscal documents to which
34 the contractor is required to adhere, including those changes to
35 terms or conditions that authorize higher reimbursement rates, that
36 modify related adjustment factors, that modify administrative or
37 other service allowances, or that diminish fee revenues otherwise
38 available for services, to determine if the change is necessary or
39 has the potential effect of reducing the number of full-time
40 equivalent children that may be served.

(d) Alternative payment child care systems, as set forth in Article 3 (commencing with Section 8220), shall be subject to the rates established in the Regional Market Rate Survey of California Child Care Providers for provider payments. The State Department of Education shall contract to conduct and complete a Regional Market Rate Survey no more frequently than once every two years, consistent with federal regulations, with a goal of completion by March 1.

(e) By March 1 of each year, the Department of Finance shall provide to the State Department of Education the State Median Income amount for a four-person household in California based on the best available data. The State Department of Education shall adjust its fee schedule for child care providers to reflect this updated state median income; however, no changes based on revisions to the state median income amount shall be implemented midyear.

(f) Notwithstanding the June 1 date specified in subdivision (b), changes to the regional market rate schedules and fee schedules may be made at any other time to reflect the availability of accurate data necessary for their completion, provided these documents receive the approval of the Department of Finance. The Department of Finance shall review the changes within 30 working days of submission and the State Department of Education shall resolve conflicts within an additional 30 working day period. Contractors shall be given adequate notice prior to the effective date of the approved schedules. It is the intent of the Legislature that contracts for services not be delayed by the timing of the availability of accurate data needed to update these schedules.

(g) Notwithstanding any other provision of law, no family receiving CalWORKs cash aid may be charged a family fee.

~~(h) Notwithstanding any other law, effective July 1, 2011, the State Department of Education shall amend CalWORKs Stage 2 and Stage 3, general child care, migrant child care, and alternative payment contracts to reflect the lower priority for providing subsidized child care and development services for 11 and 12 year olds, except for 11 and 12 year olds who are eligible pursuant to subparagraphs (C) and (D) of paragraph (1) of subdivision (a) of Section 8263, children with exceptional needs as defined in subdivision (l) of Section 8208, and children who are served during nontraditional hours as defined in subdivision (al) of Section 8208.~~

~~The State Department of Education shall include language in all contracts stating that funds are not to be expended providing services to 11 and 12 year olds, with the exceptions noted above, until such time as the department determines and notifies contractors that funding for providing those services is available. The State Department of Education shall submit a request and receive prior approval from the Department of Finance before expending funds to serve low priority 11 and 12 year olds.~~

SEC. 7. Section 8499 of the Education Code is amended to read:

8499. For purposes of this chapter, the following definitions shall apply:

(a) “Block grant” means the block grant contained in Title VI of the Child Care and Development Fund, as established by the *federal* Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193).

(b) “Child care” means all licensed child care and development services and license-exempt child care, including, but not limited to, private for-profit programs, nonprofit programs, and publicly funded programs, for all children up to and including 12 years of age, including children with exceptional needs and children from all linguistic and cultural backgrounds, ~~pursuant to subdivision (a) of Section 8201 and subdivision (i) of Section 8208.~~

(c) “Child care provider” means a person who provides child care services or represents persons who provide child care services.

(d) “Community representative” means a person who represents an agency or business that provides private funding for child care services, or who advocates for child care services through participation in civic or community-based organizations but is not a child care provider and does not represent an agency that contracts with the State Department of Education to provide child care and development services.

(e) “Consumer” means a parent or person who receives, or who has received within the past 36 months, child care services.

(f) “Department” means the State Department of Education.

(g) “Local planning council” means a local child care and development planning council as described in Section 8499.3.

(h) “Public agency representative” means a person who represents a city, county, city and county, or local educational agency.

1 *SEC. 8. Section 42238.146 of the Education Code is amended*
2 *to read:*

3 42238.146. (a) (1) For the 2003–04 fiscal year, the revenue
4 limit for each school district determined pursuant to this article
5 shall be reduced by a 1.198 percent deficit factor.

6 (2) For the 2004–05 fiscal year, the revenue limit for each school
7 district determined pursuant to this article shall be reduced by a
8 0.323 percent deficit factor.

9 (3) For the 2003–04 and 2004–05 fiscal years, the revenue limit
10 for each school district determined pursuant to this article shall be
11 further reduced by a 1.826 percent deficit factor.

12 (4) For the 2005–06 fiscal year, the revenue limit for each school
13 district determined pursuant to this article shall be reduced by a
14 0.892 percent deficit factor.

15 (5) For the 2008–09 fiscal year, the revenue limit for each school
16 district determined pursuant to this article shall be reduced by a
17 7.844 percent deficit factor.

18 (6) For the 2009–10 fiscal year, the revenue limit for each school
19 district determined pursuant to this article shall be reduced by a
20 18.355 percent deficit factor.

21 (7) For the 2010–11 fiscal year, the revenue limit for each school
22 district determined pursuant to this article shall be reduced by a
23 17.963 percent deficit factor.

24 (8) For the 2011–12 fiscal year, the revenue limit for each school
25 district determined pursuant to this article shall be reduced by a
26 ~~19.608~~ 19.754 percent deficit factor.

27 (b) In computing the revenue limit for each school district for
28 the 2006–07 fiscal year pursuant to this article, the revenue limit
29 shall be determined as if the revenue limit for that school district
30 had been determined for the 2003–04, 2004–05, and 2005–06 fiscal
31 years without being reduced by the deficit factors specified in
32 subdivision (a).

33 (c) In computing the revenue limit for each school district for
34 the 2010–11 fiscal year pursuant to this article, the revenue limit
35 shall be determined as if the revenue limit for that school district
36 had been determined for the 2009–10 fiscal year without being
37 reduced by the deficit factors specified in subdivision (a).

38 (d) In computing the revenue limit for each school district for
39 the 2011–12 fiscal year pursuant to this article, the revenue limit
40 shall be determined as if the revenue limit for that school district

1 had been determined for the 2010–11 fiscal year without being
2 reduced by the deficit factors specified in subdivision (a).

3 (e) In computing the revenue limit for each school district for
4 the 2012–13 fiscal year pursuant to this article, the revenue limit
5 shall be determined as if the revenue limit for that school district
6 had been determined for the 2011–12 fiscal year without being
7 reduced by the deficit factors specified in subdivision (a).

8 *SEC. 8.5. Section 42251 is added to the Education Code, to*
9 *read:*

10 *42251. (a) The Superintendent shall make the following*
11 *calculations for the 2011–12 fiscal year:*

12 *(1) Determine the amount of funds that will be restricted after*
13 *the Superintendent makes the deduction pursuant to Section*
14 *52335.3 for each county office of education pursuant to subdivision*
15 *(e) of Section 2558 as of June 30, 2012.*

16 *(2) Divide fifty million dollars (\$50,000,000) by the statewide*
17 *sum of the amounts determined pursuant to paragraph (1). If the*
18 *fraction is greater than one it shall be deemed to be one.*

19 *(3) Multiply the fraction determined pursuant to paragraph (2)*
20 *by the amount determined pursuant to paragraph (1) for each*
21 *county office of education.*

22 *(b) The auditor-controller of each county shall distribute the*
23 *amounts determined in paragraph (3) of subdivision (a) in the*
24 *following priority order:*

25 *(1) To one or more school districts within the county, as*
26 *determined by the Superintendent, for purposes of revenue limits*
27 *pursuant to Section 42238 in amounts that do not exceed the*
28 *amounts that would reduce the state General Fund apportionments*
29 *for revenue limits for those school districts to zero.*

30 *(2) Any remaining amounts to one or more community college*
31 *districts within the county, as determined by the Chancellor of the*
32 *California Community Colleges, for purposes of general purpose*
33 *apportionments pursuant to Article 2 (commencing with Section*
34 *84750.5) of Chapter 5 of Part 50 of Division 7 of Title 3 in amounts*
35 *that do not exceed the amounts that would reduce the state General*
36 *Fund allocations for the general purpose apportionments for those*
37 *community college districts to zero.*

38 *(3) Any remaining amounts to local educational agencies within*
39 *the county for the purpose of providing educationally related*
40 *mental health services required pursuant to the federal Individuals*

1 *with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.). The*
2 *Superintendent shall designate the local educational agencies and*
3 *the amounts to be distributed for purposes of this paragraph,*
4 *provided that the amounts distributed pursuant to this paragraph*
5 *shall not exceed the amounts of state General Funds that would*
6 *otherwise be allocated to the local educational agencies by law*
7 *for educationally related mental health services required pursuant*
8 *to the federal Individuals with Disabilities Education Act (20*
9 *U.S.C. Sec. 1400 et seq.). The Director of Finance shall reduce*
10 *the state General Fund allocations to the local educational*
11 *agencies for educationally related mental health services required*
12 *pursuant to the federal Individuals with Disabilities Education*
13 *Act (20 U.S.C. Sec. 1400 et seq.) by the amounts distributed*
14 *pursuant to this paragraph.*

15 (4) *Any remaining amounts to the county for the operation of*
16 *health and human services programs pursuant to a plan developed*
17 *jointly by the Director of Finance and the Secretary of Health and*
18 *Human Services. The Director of Finance shall reduce state*
19 *General Fund allocations for these services by the amounts*
20 *distributed pursuant to his paragraph.*

21 *SEC. 9. Section 42606 of the Education Code is repealed.*

22 ~~42606. (a) A local educational agency, including a~~
23 ~~direct-funded charter school, may apply for any state categorical~~
24 ~~program funding included in the annual Budget Act on behalf of~~
25 ~~a school that begins operation in the 2008-09 to the 2014-15 fiscal~~
26 ~~years, inclusive, but only to the extent the school or local~~
27 ~~educational agency is eligible for funding and meets the provisions~~
28 ~~of the program that were in effect as of January 1, 2009, except~~
29 ~~that charter schools shall not apply for any of the programs~~
30 ~~contained in Section 47634.4.~~

31 ~~(b) A local educational agency that establishes a new school by~~
32 ~~redirecting enrollment from its existing schools to the new school~~
33 ~~shall not be eligible to receive funding in addition to the amounts~~
34 ~~allocated pursuant to Section 42605 for the categorical programs~~
35 ~~specified in that section or for the class size reduction program~~
36 ~~pursuant to Sections 52122 and 52124.~~

37 ~~(c) The Superintendent shall report the number of new schools~~
38 ~~and the programs that these schools are applying for, including an~~
39 ~~estimate of the cost for that year. This information shall be reported~~
40 ~~by November 11, 2009, and each fiscal year thereafter, to the~~

1 appropriate committees of the Legislature, the Legislative Analyst's
2 Office, and the Department of Finance.

3 ~~(d) Notwithstanding subdivision (a), for the 2010-11 and~~
4 ~~2011-12 fiscal years, the Superintendent shall allocate a~~
5 ~~supplemental categorical block grant to a charter school that began~~
6 ~~operation in the 2008-09, 2009-10, 2010-11, or 2011-12 fiscal~~
7 ~~year. The supplemental categorical block grant shall equal one~~
8 ~~hundred twenty-seven dollars (\$127) per unit of charter school~~
9 ~~average daily attendance as determined at the 2010-11 second~~
10 ~~principal apportionment for schools commencing operations in~~
11 ~~the 2008-09, 2009-10, or 2010-11 fiscal year, and at the 2011-12~~
12 ~~second principal apportionment for schools commencing operations~~
13 ~~in the 2011-12 fiscal year. These supplemental categorical block~~
14 ~~grant funds may be used for any educational purpose. A locally~~
15 ~~funded charter school that converted from a preexisting school~~
16 ~~between the 2008-09 and 2011-12 fiscal years is not eligible for~~
17 ~~funding specified in this section. A charter school that receives~~
18 ~~funding pursuant to this subdivision shall not receive additional~~
19 ~~funding for programs specified in paragraph (2) of subdivision (a)~~
20 ~~of Section 42605, with the exception of the program funded~~
21 ~~pursuant to Item 6110-211-0001 of Section 2.00 of the annual~~
22 ~~Budget Act.~~

23 *SEC. 10. Section 42606 is added to the Education Code, to*
24 *read:*

25 *42606. (a) To the extent funds are provided, for the 2010-11*
26 *to the 2014-15 fiscal years, inclusive, the Superintendent shall*
27 *allocate a supplemental categorical block grant to a charter school*
28 *that began operation during or after the 2008-09 fiscal year. These*
29 *supplemental categorical block grant funds may be used for any*
30 *educational purpose. Commencing in the 2011-12 fiscal year, a*
31 *locally or direct funded charter school that converted from a*
32 *preexisting school between the 2008-09 and 2014-15 fiscal years,*
33 *inclusive, is not eligible for funding specified in this section. A*
34 *charter school that receives funding pursuant to this subdivision*
35 *shall not receive additional funding for programs specified in*
36 *paragraph (2) of subdivision (a) of Section 42605, with the*
37 *exception of the program funded pursuant to Item 6110-211-0001*
38 *of Section 2.00 of the annual Budget Act.*

39 *(b) (1) For the 2010-11 fiscal year, the supplemental*
40 *categorical block grant shall equal one hundred twenty-seven*

1 dollars (\$127) per unit of charter school average daily attendance
2 as determined at the 2010–11 second principal apportionment for
3 charter schools commencing operations during or after the
4 2008–09 fiscal year. A locally funded charter school that converted
5 from a preexisting school during or after the 2008–09 fiscal year
6 is not eligible for funding specified in this section.

7 (2) For the 2011–12 to the 2014–15 fiscal years, inclusive, the
8 supplemental categorical block grant shall equal one hundred
9 twenty-seven dollars (\$127) per unit of charter school average
10 daily attendance as determined at the current year second principal
11 apportionment for charter schools commencing operations during
12 or after the 2008–09 fiscal year. In lieu of this supplemental grant,
13 a school district shall provide new conversion charter schools that
14 commenced operations within the district during or after the
15 2008–09 fiscal year, one hundred twenty-seven dollars (\$127) per
16 unit of charter school average daily attendance as determined at
17 the current year second principal apportionment. This paragraph
18 does not preclude a school district and a new conversion charter
19 school from negotiating an alternative funding rate. Absent
20 agreement from both parties on an alternative rate, the school
21 district shall be obligated to provide funding at the one hundred
22 twenty-seven dollars (\$127) per average daily attendance rate.

23 SEC. 11. Section 56139 of the Education Code is amended to
24 read:

25 56139. (a) ~~The superintendent~~ Superintendent is responsible
26 for monitoring local educational agencies to ensure compliance
27 with the requirement to provide mental health services to
28 individuals with exceptional needs pursuant to Chapter 26.5
29 (commencing with Section 7570) of Division 7 of Title 1 of the
30 Government Code and to ensure that funds provided for this
31 purpose are appropriately utilized.

32 (b) ~~The superintendent~~ Superintendent shall submit a report to
33 the Legislature by April 1, 2005, that includes all of the following:

34 (1) A description of the data that is currently collected by the
35 department related to pupils served and services provided pursuant
36 to Chapter 26.5 (commencing with Section 7570) of Division 7 of
37 Title 1 of the Government Code.

38 (2) A description of the existing monitoring processes used by
39 the department to ensure that local educational agencies are
40 complying with Chapter 26.5 (commencing with Section 7570) of

Division 7 of Title 1 of the Government Code, including the monitoring performed to ensure the appropriate use of funds for programs identified in Section 64000.

(3) Recommendations on the manner in which to strengthen and improve monitoring by the department of the compliance by a local educational agency with the requirements of Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code, on the manner in which to strengthen and improve collaboration and coordination with the State Department of Mental Health in monitoring and data collection activities, and on the additional data needed related to Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code.

(c) ~~The superintendent~~ *Superintendent* shall collaborate with the Director of the State Department of Mental Health in preparing the report required pursuant to subdivision (b) and shall convene at least one meeting of appropriate stakeholders and organizations, including a representative from the State Department of Mental Health and mental health directors, to obtain input on existing data collection and monitoring processes, and on ways to strengthen and improve the data collected and monitoring performed.

(d) This section shall become inoperative on July 1, 2011, and, as of January 1, 2012, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2012, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 12. Section 56325 of the Education Code is amended to read:

56325. (a) (1) As required by subclause (I) of clause (i) of subparagraph (C) of paragraph (2) of subsection (d) of Section 1414 of Title 20 of the United States Code, the following shall apply to special education programs for individuals with exceptional needs who transfer from district to district within the state. In the case of an individual with exceptional needs who has an individualized education program and transfers into a district from a district not operating programs under the same local plan in which he or she was last enrolled in a special education program within the same academic year, the local educational agency shall provide the pupil with a free appropriate public education, including services comparable to those described in the previously approved individualized education program, in consultation with

1 the parents, for a period not to exceed 30 days, by which time the
2 local educational agency shall adopt the previously approved
3 individualized education program or shall develop, adopt, and
4 implement a new individualized education program that is
5 consistent with federal and state law.

6 (2) In the case of an individual with exceptional needs who has
7 an individualized education program and transfers into a district
8 from a district operating programs under the same special education
9 local plan area of the district in which he or she was last enrolled
10 in a special education program within the same academic year, the
11 new district shall continue, without delay, to provide services
12 comparable to those described in the existing approved
13 individualized education program, unless the parent and the local
14 educational agency agree to develop, adopt, and implement a new
15 individualized education program that is consistent with federal
16 and state law.

17 (3) As required by subclause (II) of clause (i) of subparagraph
18 (C) of paragraph (2) of subsection (d) of Section 1414 of Title 20
19 of the United States Code, the following shall apply to special
20 education programs for individuals with exceptional needs who
21 transfer from an educational agency located outside the State of
22 California to a district within California. In the case of an individual
23 with exceptional needs who transfers from district to district within
24 the same academic year, the local educational agency shall provide
25 the pupil with a free appropriate public education, including
26 services comparable to those described in the previously approved
27 individualized education program, in consultation with the parents,
28 until the local educational agency conducts an assessment pursuant
29 to paragraph (1) of subsection (a) of Section 1414 of Title 20 of
30 the United States Code, if determined to be necessary by the local
31 educational agency, and develops a new individualized education
32 program, if appropriate, that is consistent with federal and state
33 law.

34 (b) (1) To facilitate the transition for an individual with
35 exceptional needs described in subdivision (a), the new school in
36 which the individual with exceptional needs enrolls shall take
37 reasonable steps to promptly obtain the pupil's records, including
38 the individualized education program and supporting documents
39 and any other records relating to the provision of special education
40 and related services to the pupil, from the previous school in which

1 the pupil was enrolled, pursuant to paragraph (2) of subsection (a)
2 of Section 99.31 of Title 34 of the Code of Federal Regulations.

3 (2) The previous school in which the individual with exceptional
4 needs was enrolled shall take reasonable steps to promptly respond
5 to the request from the new school.

6 (c) If whenever a pupil described in subdivision (a) was placed
7 and residing in a residential nonpublic, nonsectarian school, prior
8 to transferring to a district in another special education local plan
9 area, and this placement is not eligible for funding pursuant to
10 Section 56836.16, the special education local plan area that
11 contains the district that made the residential nonpublic,
12 nonsectarian school placement is responsible for the funding of
13 the placement, including related services, for the remainder of the
14 school year. An extended year session is included in the school
15 year in which the session ends. ~~This subdivision also applies to
16 special education and related services required under Section 7573
17 of the Government Code for an individual with exceptional needs
18 who was placed in a residential placement by an expanded
19 individualized education program team, pursuant to Section 7572.5
20 of the Government Code, if the parent of the individual moves
21 during the course of the year to a district in another special
22 education local plan area.~~

23 *SEC. 13. Section 56331 of the Education Code is amended to*
24 *read:*

25 56331. (a) A pupil who is suspected of needing mental health
26 services may be referred to a community mental health service in
27 accordance with Section 7576 of the Government Code.

28 (b) Prior to referring a pupil to a county mental health agency
29 for services, the local educational agency shall follow the
30 procedures set forth in Section 56320 and conduct an assessment
31 in accordance with Sections 300.301 to 300.306, inclusive, of Title
32 34 of the Code of Federal Regulations. If an individual with
33 exceptional needs is identified as potentially requiring mental
34 health services, the local educational agency shall request the
35 participation of the county mental health agency in the
36 individualized education program. A local educational agency
37 shall provide any specially designed instruction required by an
38 individualized education program, including related services such
39 as counseling services, parent counseling and training,
40 psychological services, or social work services in schools as

1 defined in Section 300.34 of Title 34 of the Code of Federal
2 Regulations. If the individualized education program of an
3 individual with exceptional needs includes a functional behavioral
4 assessment and behavior intervention plan, in accordance with
5 Section 300.530 of Title 34 of the Code of Federal Regulations,
6 the local educational agency shall provide documentation upon
7 referral to a county mental health agency. Local educational
8 agencies shall provide related services, by qualified personnel,
9 unless the individualized education program team designates a
10 more appropriate agency for the provision of services. Local
11 educational agencies and community mental health services shall
12 work collaboratively to ensure that assessments performed prior
13 to referral are as useful as possible to the community mental health
14 service agency in determining the need for mental health services
15 and the level of services needed.

16 *(c) This section shall become inoperative on July 1, 2011, and,*
17 *as of January 1, 2012, is repealed, unless a later enacted statute,*
18 *that becomes operative on or before January 1, 2012, deletes or*
19 *extends the dates on which it becomes inoperative and is repealed.*

20 *SEC. 14. Section 60422.3 of the Education Code is amended*
21 *and renumbered to read:*

22 ~~60422.3.~~

23 60049. (a) Notwithstanding subdivision (i) of Section 60200,
24 Section 60422, or any other provision of law, for the 2008–09 to
25 the 2014–15 fiscal years, inclusive, the governing board of a school
26 district is not required to provide pupils with instructional materials
27 by a specified period of time following adoption of those materials
28 by the state board.

29 (b) Notwithstanding subdivision (a), this section does not relieve
30 school districts of their obligations to provide every pupil with
31 textbooks or instructional materials, as provided in Section 1240.3.

32 (c) This section does not relieve school districts of the obligation
33 to hold a public hearing or hearings pursuant to subparagraphs (A)
34 and (B) of paragraph (1) of subdivision (a) of Section 60119.

35 (d) This section shall become inoperative on July 1, 2015, and,
36 as of January 1, 2016, is repealed, unless a later enacted statute,
37 that becomes operative on or before January 1, 2016, deletes or
38 extends the dates on which it becomes inoperative and is repealed.

39 *SEC. 15. Section 69432.7 of the Education Code is amended*
40 *to read:*

69432.7. As used in this chapter, the following terms have the following meanings:

(a) An “academic year” is July 1 to June 30, inclusive. The starting date of a session shall determine the academic year in which it is included.

(b) “Access costs” means living expenses and expenses for transportation, supplies, and books.

(c) “Award year” means one academic year, or the equivalent, of attendance at a qualifying institution.

(d) “College grade point average” and “community college grade point average” mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree.

(e) “Commission” means the Student Aid Commission.

(f) “Enrollment status” means part- or full-time status.

(1) “Part time,” for purposes of Cal Grant eligibility, means 6 to 11 semester units, inclusive, or the equivalent.

(2) “Full time,” for purposes of Cal Grant eligibility, means 12 or more semester units or the equivalent.

(g) “Expected family contribution,” with respect to an applicant, shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(h) “High school grade point average” means a grade point average calculated on a 4.0 scale, using all academic coursework, for the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, excluding physical education, reserve officer training corps (ROTC), and remedial courses, and computed pursuant to regulations of the commission. However, for high school graduates who apply after their senior year, “high school grade point average” includes senior year coursework.

(i) “Instructional program of not less than one academic year” means a program of study that results in the award of an associate or baccalaureate degree or certificate requiring at least 24 semester

units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(j) “Instructional program of not less than two academic years” means a program of study that results in the award of an associate or baccalaureate degree requiring at least 48 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(k) “Maximum household income and asset levels” means the applicable household income and household asset levels for participants, including new applicants and renewing recipients, in the Cal Grant Program, as defined and adopted in regulations by the commission for the 2001–02 academic year, which shall be set pursuant to the following income and asset ceiling amounts:

CAL GRANT PROGRAM INCOME CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent and Independent students with dependents*		
Family Size		
Six or more	\$74,100	\$40,700
Five	\$68,700	\$37,700
Four	\$64,100	\$33,700
Three	\$59,000	\$30,300
Two	\$57,600	\$26,900
Independent		
Single, no dependents	\$23,500	\$23,500
Married	\$26,900	\$26,900

*Applies to independent students with dependents other than a spouse.

CAL GRANT PROGRAM ASSET CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent**	\$49,600	\$49,600

Independent	\$23,600	\$23,600
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**Applies to independent students with dependents other than a spouse.

The commission shall annually adjust the maximum household income and asset levels based on the percentage change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution. The maximum household income and asset levels applicable to a renewing recipient shall be the greater of the adjusted maximum household income and asset levels or the maximum household income and asset levels at the time of the renewing recipient's initial Cal Grant award. For a recipient who was initially awarded a Cal Grant for an academic year before the 2011–12 academic year, the maximum household income and asset levels shall be the greater of the adjusted maximum household income and asset levels or the 2010–11 academic year maximum household income and asset levels. An applicant or renewal recipient who qualifies to be considered under the simplified needs test established by federal law for student assistance shall be presumed to meet the asset level test under this section. Prior to disbursing any Cal Grant funds, a qualifying institution shall be obligated, under the terms of its institutional participation agreement with the commission, to resolve any conflicts that may exist in the data the institution possesses relating to that individual.

(l) (1) "Qualifying institution" means an institution that complies with paragraphs (2) and (3) and is any of the following:

(A) A California private or independent postsecondary educational institution that participates in the Pell Grant Program and in at least two of the following federal campus-based student aid programs:

(i) Federal Work-Study.

(ii) Perkins Loan Program.

(iii) Supplemental Educational Opportunity Grant Program.

(B) A nonprofit institution headquartered and operating in California that certifies to the commission that 10 percent of the institution's operating budget, as demonstrated in an audited financial statement, is expended for the purposes of institutionally

1 funded student financial aid in the form of grants, that demonstrates
2 to the commission that it has the administrative capacity to
3 administer the funds, that is accredited by the Western Association
4 of Schools and Colleges, and that meets any other state-required
5 criteria adopted by regulation by the commission in consultation
6 with the Department of Finance. A regionally accredited institution
7 that was deemed qualified by the commission to participate in the
8 Cal Grant Program for the 2000–01 academic year shall retain its
9 eligibility as long as it maintains its existing accreditation status.

10 (C) A California public postsecondary educational institution.

11 (2) (A) The institution shall provide information on where to
12 access California license examination passage rates for the most
13 recent available year from graduates of its undergraduate programs
14 leading to employment for which passage of a California licensing
15 examination is required, if that data is electronically available
16 through the Internet Web site of a California licensing or regulatory
17 agency. For purposes of this paragraph, “provide” may exclusively
18 include placement of an Internet Web site address labeled as an
19 access point for the data on the passage rates of recent program
20 graduates on the Internet Web site where enrollment information
21 is also located, on an Internet Web site that provides centralized
22 admissions information for postsecondary educational systems
23 with multiple campuses, or on applications for enrollment or other
24 program information distributed to prospective students.

25 (B) The institution shall be responsible for certifying to the
26 commission compliance with the requirements of subparagraph
27 (A).

28 (3) (A) The commission shall certify by October 1 of each year
29 the institution’s latest three-year cohort default rate as most recently
30 reported by the United States Department of Education.

31 (B) For purposes of the 2011–12 academic year, an otherwise
32 qualifying institution with a 2008 trial three-year cohort default
33 rate reported by the United States Department of Education as of
34 February 28, 2011, that is equal to or greater than 24.6 percent
35 shall be ineligible for initial and renewal Cal Grant awards at the
36 institution, except as provided in subparagraph (F).

37 (C) For purposes of the 2012–13 academic year, and every
38 academic year thereafter, an otherwise qualifying institution with
39 a three-year cohort default rate that is equal to or greater than 30
40 percent, as certified by the commission on October 1, 2011, and

1 every year thereafter, shall be ineligible for initial-~~or~~ *and* renewal
2 Cal Grant awards at the institution, except as provided in
3 subparagraph (F).

4 (D) (i) An otherwise qualifying institution that becomes
5 ineligible under this paragraph for initial and renewal Cal Grant
6 awards may regain its eligibility for the academic year following
7 an academic year in which it satisfies the requirements established
8 in subparagraph (B) or (C), as applicable.

9 (ii) If the United States Department of Education corrects or
10 revises an institution's three-year cohort default rate that originally
11 failed to satisfy the requirements established in subparagraph (B)
12 or (C), as applicable, and the correction or revision results in the
13 institution's three-year cohort default rate satisfying those
14 requirements, that institution shall immediately regain its eligibility
15 for the academic year to which the corrected or revised three-year
16 cohort default rate would have been applied.

17 (E) An otherwise qualifying institution for which no three-year
18 cohort default rate has been reported by the United States
19 Department of Education shall be provisionally eligible to
20 participate in the Cal Grant Program until a three-year cohort
21 default rate has been reported for the institution by the United
22 States Department of Education.

23 (F) An institution that is ineligible for initial and renewal Cal
24 Grant awards at the institution under subparagraph (B) or (C) shall
25 be eligible for renewal Cal Grant awards for recipients who were
26 enrolled in the ineligible institution during the academic year before
27 the academic year for which the institution is ineligible and who
28 choose to renew their Cal Grant awards to attend the ineligible
29 institution. Cal Grant awards subject to this subparagraph shall be
30 reduced as follows:

31 (i) The maximum Cal Grant A and B awards specified in the
32 annual Budget Act shall be reduced by 20 percent.

33 (ii) The reductions specified in this subparagraph shall not
34 impact access costs as specified in subdivision (b) of Section
35 69435.

36 (G) Notwithstanding any other law, the requirements of this
37 paragraph shall not apply to institutions with 40 percent or less of
38 undergraduate students borrowing federal student loans, using
39 information reported to the United States Department of Education
40 for the academic year two years prior to the year in which the

1 commission is certifying the three-year cohort default rate pursuant
2 to subparagraph (A).

3 (H) By January 1, 2013, the Legislative Analyst shall submit
4 to the Legislature a report on the implementation of this paragraph.
5 The report shall be prepared in consultation with the commission,
6 and shall include policy recommendations for appropriate measures
7 of default risk and other direct or indirect measures of quality or
8 effectiveness in educational institutions participating in the Cal
9 Grant Program, and appropriate scores for those measures. It is
10 the intent of the Legislature that appropriate policy and fiscal
11 committees review the requirements of this paragraph and consider
12 changes thereto.

13 (m) “Satisfactory academic progress” means those criteria
14 required by applicable federal standards published in Title 34 of
15 the Code of Federal Regulations. The commission may adopt
16 regulations defining “satisfactory academic progress” in a manner
17 that is consistent with those federal standards.

18 *SEC. 16. Section 7911.1 of the Family Code is amended to*
19 *read:*

20 7911.1. (a) Notwithstanding any other ~~provision of~~ law, the
21 State Department of Social Services or its designee shall investigate
22 any threat to the health and safety of children placed by a California
23 county social services agency or probation department in an
24 out-of-state group home pursuant to the provisions of the Interstate
25 Compact on the Placement of Children. This authority shall include
26 the authority to interview children or staff in private or review
27 their file at the out-of-state facility or wherever the child or files
28 may be at the time of the investigation. Notwithstanding any other
29 ~~provisions of~~ law, the State Department of Social Services or its
30 designee shall require certified out-of-state group homes to comply
31 with the reporting requirements applicable to group homes licensed
32 in California pursuant to Title 22 of the California Code of
33 Regulations for each child in care regardless of whether he or she
34 is a California placement, by submitting a copy of the required
35 reports to the Compact Administrator within regulatory timeframes.
36 The Compact Administrator within one business day of receiving
37 a serious events report shall verbally notify the appropriate
38 placement agencies and within five working days of receiving a
39 written report from the out-of-state group home, forward a copy
40 of the written report to the appropriate placement agencies.

1 (b) Any contract, memorandum of understanding, or agreement
2 entered into pursuant to paragraph (b) of Article 5 of the Interstate
3 Compact on the Placement of Children regarding the placement
4 of a child out of state by a California county social services agency
5 or probation department shall include the language set forth in
6 subdivision (a).

7 (c) The State Department of Social Services or its designee shall
8 perform initial and continuing inspection of out-of-state group
9 homes in order to either certify that the out-of-state group home
10 meets all licensure standards required of group homes operated in
11 California or that the department has granted a waiver to a specific
12 licensing standard upon a finding that there exists no adverse
13 impact to health and safety. Any failure by an out-of-state group
14 home facility to make children or staff available as required by
15 subdivision (a) for a private interview or make files available for
16 review shall be grounds to deny or discontinue the certification.
17 The State Department of Social Services shall grant or deny an
18 initial certification or a waiver under this subdivision to an
19 out-of-state group home facility that has more than six California
20 children placed by a county social services agency or probation
21 department by August 19, 1999. The department shall grant or
22 deny an initial certification or a waiver under this subdivision to
23 an out-of-state group home facility that has six or fewer California
24 children placed by a county social services agency or probation
25 department by February 19, 2000. Certifications made pursuant
26 to this subdivision shall be reviewed annually.

27 (d) Within six months of the effective date of this section, a
28 county shall be required to obtain an assessment and placement
29 recommendation by a county multidisciplinary team for each child
30 in an out-of-state group home facility. On or after March 1, 1999,
31 a county shall be required to obtain an assessment and placement
32 recommendation by a county multidisciplinary team prior to
33 placement of a child in an out-of-state group home facility.

34 (e) Any failure by an out-of-state group home to obtain or
35 maintain its certification as required by subdivision (c) shall
36 preclude the use of any public funds, whether county, state, or
37 federal, in the payment for the placement of any child in that
38 out-of-state group home, pursuant to the Interstate Compact on
39 the Placement of Children.

(f) (1) A multidisciplinary team shall consist of participating members from county social services, county mental health, county probation, county superintendents of schools, and other members as determined by the county.

(2) Participants shall have knowledge or experience in the prevention, identification, and treatment of child abuse and neglect cases, and shall be qualified to recommend a broad range of services related to child abuse or neglect.

(g) (1) The department may deny, suspend, or discontinue the certification of the out-of-state group home if the department makes a finding that the group home is not operating in compliance with the requirements of subdivision (c).

(2) Any judicial proceeding to contest the department's determination as to the status of the out-of-state group home certificate shall be held in California pursuant to Section 1085 of the Code of Civil Procedure.

(h) ~~This~~ *The certification requirements of this section shall not impact placements of emotionally disturbed children made pursuant to Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code relating to seriously emotionally disturbed children an individualized education program developed pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) if the placement is not funded with federal or state foster care funds.*

(i) Only an out-of-state group home authorized by the Compact Administrator to receive state funds for the placement by a county social services agency or probation department of any child in that out-of-state group home from the effective date of this section shall be eligible for public funds pending the department's certification under this section.

SEC. 17. Section 7572 of the Government Code is amended to read:

7572. (a) A child shall be assessed in all areas related to the suspected disability by those qualified to make a determination of the child's need for the service before any action is taken with respect to the provision of related services or designated instruction and services to a child, including, but not limited to, services in the areas of; occupational therapy; *and* physical therapy; psychotherapy, ~~and other mental health assessments~~. All assessments required or conducted pursuant to this section shall

1 be governed by the assessment procedures contained in Article 2
2 (commencing with Section 56320) of Chapter 4 of Part 30 of
3 *Division 4 of Title 2 of the Education Code*.

4 (b) Occupational therapy and physical therapy assessments shall
5 be conducted by qualified medical personnel as specified in
6 regulations developed by the State Department of Health Services
7 in consultation with the State Department of Education.

8 ~~(c) Psychotherapy and other mental health assessments shall be~~
9 ~~conducted by qualified mental health professionals as specified in~~
10 ~~regulations developed by the State Department of Mental Health,~~
11 ~~in consultation with the State Department of Education, pursuant~~
12 ~~to this chapter.~~

13 ~~(d)~~
14 (c) A related service or designated instruction and service shall
15 only be added to the child's individualized education program by
16 the individualized education program team, as described in Part
17 30 (commencing with Section 56000) of *Division 4 of Title 2 of*
18 *the Education Code*, if a formal assessment has been conducted
19 pursuant to this section, and a qualified person conducting the
20 assessment recommended the service in order for the child to
21 benefit from special education. In no case shall the inclusion of
22 necessary related services in a pupil's individualized education
23 plan be contingent upon identifying the funding source. Nothing
24 in this section shall prevent a parent from obtaining an independent
25 assessment in accordance with subdivision (b) of Section 56329
26 of the Education Code, which shall be considered by the
27 individualized education program team.

28 (1) ~~Whenever~~ If an assessment has been conducted pursuant to
29 subdivision (b) ~~or (c)~~, the recommendation of the person who
30 conducted the assessment shall be reviewed and discussed with
31 the parent and with appropriate members of the individualized
32 education program team prior to the meeting of the individualized
33 education program team. When the proposed recommendation of
34 the person has been discussed with the parent and there is
35 disagreement on the recommendation pertaining to the related
36 service, the parent shall be notified in writing and may require the
37 person who conducted the assessment to attend the individualized
38 education program team meeting to discuss the recommendation.
39 The person who conducted the assessment shall attend the
40 individualized education program team meeting if requested.

1 Following this discussion and review, the recommendation of the
2 person who conducted the assessment shall be the recommendation
3 of the individualized education program team members who are
4 attending on behalf of the local educational agency.

5 (2) If an independent assessment for the provision of related
6 services or designated instruction and services is submitted to the
7 individualized education program team, review of that assessment
8 shall be conducted by the person specified in ~~subdivisions (b) and~~
9 ~~(e)~~ *subdivision (b)*. The recommendation of the person who
10 reviewed the independent assessment shall be reviewed and
11 discussed with the parent and with appropriate members of the
12 individualized education program team prior to the meeting of the
13 individualized education program team. The parent shall be notified
14 in writing and may request the person who reviewed the
15 independent assessment to attend the individualized education
16 program team meeting to discuss the recommendation. The person
17 who reviewed the independent assessment shall attend the
18 individualized education program team meeting if requested.
19 Following this review and discussion, the recommendation of the
20 person who reviewed the independent assessment shall be the
21 recommendation of the individualized education program team
22 members who are attending on behalf of the local agency.

23 (3) Any disputes between the parent and team members
24 representing the public agencies regarding a recommendation made
25 in accordance with paragraphs (1) and (2) shall be resolved
26 pursuant to Chapter 5 (commencing with Section 56500) of Part
27 30 of *Division 4 of Title 2 of the Education Code*.

28 ~~(e)~~

29 (d) Whenever a related service or designated instruction and
30 service specified in subdivision (b) ~~or (e)~~ is to be considered for
31 inclusion in the child's individualized educational program, the
32 local education agency shall invite the responsible public agency
33 representative to meet with the individualized education program
34 team to determine the need for the service and participate in
35 developing the individualized education program. If the responsible
36 public agency representative cannot meet with the individualized
37 education program team, then the representative shall provide
38 written information concerning the need for the service pursuant
39 to ~~subdivision (d)~~ *(c)*. Conference calls, together with written
40 recommendations, are acceptable forms of participation. If the

1 responsible public agency representative will not be available to
2 participate in the individualized education program meeting, the
3 local educational agency shall ensure that a qualified substitute is
4 available to explain and interpret the evaluation pursuant to
5 subdivision (d) of Section 56341 of the Education Code. A copy
6 of the information shall be provided by the responsible public
7 agency to the parents or any adult pupil for whom no guardian or
8 conservator has been appointed.

9 *SEC. 18. Section 7572.5 of the Government Code is amended*
10 *to read:*

11 7572.5. (a) ~~When~~ If an assessment is conducted pursuant to
12 Article 2 (commencing with Section 56320) of Chapter 4 of Part
13 30 of *Division 4 of Title 2* of the Education Code, which determines
14 that a child is seriously emotionally disturbed, as defined in Section
15 300.8 of Title 34 of the Code of Federal Regulations, and any
16 member of the individualized education program team recommends
17 residential placement based on relevant assessment information,
18 the individualized education program team shall be expanded to
19 include a representative of the county mental health department.

20 (b) The expanded individualized education program team shall
21 review the assessment and determine whether:

22 (1) The child's needs can reasonably be met through any
23 combination of nonresidential services, preventing the need for
24 out-of-home care.

25 (2) Residential care is necessary for the child to benefit from
26 educational services.

27 (3) Residential services are available that address the needs
28 identified in the assessment and that will ameliorate the conditions
29 leading to the seriously emotionally disturbed designation.

30 (c) If the review required in subdivision (b) results in an
31 individualized education program that calls for residential
32 placement, the individualized education program shall include all
33 of the items outlined in Section 56345 of the Education Code, and
34 shall also include:

35 (1) Designation of the county mental health department as lead
36 case manager. Lead case management responsibility may be
37 delegated to the county welfare department by agreement between
38 the county welfare department and the designated county mental
39 health department. The county mental health department shall

1 retain financial responsibility for the provision of case management
2 services.

3 (2) Provision for a review of the case progress, the continuing
4 need for out-of-home placement, the extent of compliance with
5 the individualized education program, and progress toward
6 alleviating the need for out-of-home care, by the full individualized
7 education program team at least every six months.

8 (3) Identification of an appropriate residential facility for
9 placement with the assistance of the county welfare department
10 as necessary.

11 *(d) This section shall become inoperative on July 1, 2011, and,*
12 *as of January 1, 2012, is repealed, unless a later enacted statute,*
13 *that becomes operative on or before January 1, 2012, deletes or*
14 *extends the dates on which it becomes inoperative and is repealed.*

15 SEC. 19. Section 7572.55 of the Government Code is amended
16 to read:

17 7572.55. (a) Residential placements for a child with a disability
18 who is seriously emotionally disturbed may be made out-of-state
19 only after in-state alternatives have been considered and are found
20 not to meet the child's needs and only when the requirements of
21 Section 7572.5, and subdivision (e) of Section 56365 of the
22 Education Code have been met. The local education agency shall
23 document the alternatives to out-of-state residential placement that
24 were considered and the reasons why they were rejected.

25 (b) Out-of-state placements shall be made only in a privately
26 operated school certified by the California Department of
27 Education.

28 (c) A plan shall be developed for using less restrictive
29 alternatives and in-state alternatives as soon as they become
30 available, unless it is in the best educational interest of the child
31 to remain in the out-of-state school. If the child is a ward or
32 dependent of the court, this plan shall be documented in the record.

33 *(d) This section shall become inoperative on July 1, 2011, and,*
34 *as of January 1, 2012, is repealed, unless a later enacted statute,*
35 *that becomes operative on or before January 1, 2012, deletes or*
36 *extends the dates on which it becomes inoperative and is repealed.*

37 SEC. 20. Section 7576 of the Government Code is amended to
38 read:

39 7576. (a) The State Department of Mental Health, or a
40 community mental health service, as described in Section 5602 of

1 the Welfare and Institutions Code, designated by the State
2 Department of Mental Health, is responsible for the provision of
3 mental health services, as defined in regulations by the State
4 Department of Mental Health, developed in consultation with the
5 State Department of Education, if required in the individualized
6 education program of a pupil. A local educational agency is not
7 required to place a pupil in a more restrictive educational
8 environment in order for the pupil to receive the mental health
9 services specified in his or her individualized education program
10 if the mental health services can be appropriately provided in a
11 less restrictive setting. It is the intent of the Legislature that the
12 local educational agency and the community mental health service
13 vigorously attempt to develop a mutually satisfactory placement
14 that is acceptable to the parent and addresses the educational and
15 mental health treatment needs of the pupil in a manner that is cost
16 effective for both public agencies, subject to the requirements of
17 state and federal special education law, including the requirement
18 that the placement be appropriate and in the least restrictive
19 environment. For purposes of this section, “parent” is as defined
20 in Section 56028 of the Education Code.

21 (b) A local educational agency, individualized education
22 program team, or parent may initiate a referral for assessment of
23 the social and emotional status of a pupil, pursuant to Section
24 56320 of the Education Code. Based on the results of assessments
25 completed pursuant to Section 56320 of the Education Code, an
26 individualized education program team may refer a pupil who has
27 been determined to be an individual with exceptional needs, as
28 defined in Section 56026 of the Education Code, and who is
29 suspected of needing mental health services to a community mental
30 health service if the pupil meets all of the criteria in paragraphs
31 (1) to (5), inclusive. Referral packages shall include all
32 documentation required in subdivision (c), and shall be provided
33 immediately to the community mental health service.

34 (1) The pupil has been assessed by school personnel in
35 accordance with Article 2 (commencing with Section 56320) of
36 Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code.
37 Local educational agencies and community mental health services
38 shall work collaboratively to ensure that assessments performed
39 prior to referral are as useful as possible to the community mental

1 health service in determining the need for mental health services
2 and the level of services needed.

3 (2) The local educational agency has obtained written parental
4 consent for the referral of the pupil to the community mental health
5 service, for the release and exchange of all relevant information
6 between the local educational agency and the community mental
7 health service, and for the observation of the pupil by mental health
8 professionals in an educational setting.

9 (3) The pupil has emotional or behavioral characteristics that
10 satisfy all of the following:

11 (A) Are observed by qualified educational staff in educational
12 and other settings, as appropriate.

13 (B) Impede the pupil from benefiting from educational services.

14 (C) Are significant as indicated by their rate of occurrence and
15 intensity.

16 (D) Are associated with a condition that cannot be described
17 solely as a social maladjustment or a temporary adjustment
18 problem, and cannot be resolved with short-term counseling.

19 (4) As determined using educational assessments, the pupil's
20 functioning, including cognitive functioning, is at a level sufficient
21 to enable the pupil to benefit from mental health services.

22 (5) The local educational agency, pursuant to Section 56331 of
23 the Education Code, has provided appropriate counseling and
24 guidance services, psychological services, parent counseling and
25 training, or social work services to the pupil pursuant to Section
26 56363 of the Education Code, or behavioral intervention as
27 specified in Section 56520 of the Education Code, as specified in
28 the individualized education program and the individualized
29 education program team has determined that the services do not
30 meet the educational needs of the pupil, or, in cases where these
31 services are clearly inadequate or inappropriate to meet the
32 educational needs of the pupil, the individualized education
33 program team has documented which of these services were
34 considered and why they were determined to be inadequate or
35 inappropriate.

36 (c) If referring a pupil to a community mental health service in
37 accordance with subdivision (b), the local educational agency or
38 the individualized education program team shall provide the
39 following documentation:

1 (1) Copies of the current individualized education program, all
2 current assessment reports completed by school personnel in all
3 areas of suspected disabilities pursuant to Article 2 (commencing
4 with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title
5 2 of the Education Code, and other relevant information, including
6 reports completed by other agencies.

7 (2) A copy of the parent's consent obtained as provided in
8 paragraph (2) of subdivision (b).

9 (3) A summary of the emotional or behavioral characteristics
10 of the pupil, including documentation that the pupil meets the
11 criteria set forth in paragraphs (3) and (4) of subdivision (b).

12 (4) A description of the counseling, psychological, and guidance
13 services, and other interventions that have been provided to the
14 pupil, as provided in the individualized education program of the
15 pupil, including the initiation, duration, and frequency of these
16 services, or an explanation of the reasons a service was considered
17 for the pupil and determined to be inadequate or inappropriate to
18 meet his or her educational needs.

19 (d) Based on preliminary results of assessments performed
20 pursuant to Section 56320 of the Education Code, a local
21 educational agency may refer a pupil who has been determined to
22 be, or is suspected of being, an individual with exceptional needs,
23 and is suspected of needing mental health services, to a community
24 mental health service if a pupil meets the criteria in paragraphs (1)
25 and (2). Referral packages shall include all documentation required
26 in subdivision (e) and shall be provided immediately to the
27 community mental health service.

28 (1) The pupil meets the criteria in paragraphs (2) to (4),
29 inclusive, of subdivision (b).

30 (2) Counseling and guidance services, psychological services,
31 parent counseling and training, social work services, and behavioral
32 or other interventions as provided in the individualized education
33 program of the pupil are clearly inadequate or inappropriate in
34 meeting his or her educational needs.

35 (e) If referring a pupil to a community mental health service in
36 accordance with subdivision (d), the local educational agency shall
37 provide the following documentation:

38 (1) Results of preliminary assessments to the extent they are
39 available and other relevant information including reports
40 completed by other agencies.

1 (2) A copy of the parent's consent obtained as provided in
2 paragraph (2) of subdivision (b).

3 (3) A summary of the emotional or behavioral characteristics
4 of the pupil, including documentation that the pupil meets the
5 criteria in paragraphs (3) and (4) of subdivision (b).

6 (4) Documentation that appropriate related educational and
7 designated instruction and services have been provided in
8 accordance with Sections 300.34 and 300.39 of Title 34 of the
9 Code of Federal Regulations.

10 (5) An explanation of the reasons that counseling and guidance
11 services, psychological services, parent counseling and training,
12 social work services, and behavioral or other interventions as
13 provided in the individualized education program of the pupil are
14 clearly inadequate or inappropriate in meeting his or her
15 educational needs.

16 (f) The procedures set forth in this chapter are not designed for
17 use in responding to psychiatric emergencies or other situations
18 requiring immediate response. In these situations, a parent may
19 seek services from other public programs or private providers, as
20 appropriate. This subdivision does not change the identification
21 and referral responsibilities imposed on local educational agencies
22 under Article 1 (commencing with Section 56300) of Chapter 4
23 of Part 30 of Division 4 of Title 2 of the Education Code.

24 (g) Referrals shall be made to the community mental health
25 service in the county in which the pupil lives. If the pupil has been
26 placed into residential care from another county, the community
27 mental health service receiving the referral shall forward the
28 referral immediately to the community mental health service of
29 the county of origin, which shall have fiscal and programmatic
30 responsibility for providing or arranging for the provision of
31 necessary services. The procedures described in this subdivision
32 shall not delay or impede the referral and assessment process.

33 (h) A county mental health agency does not have fiscal or legal
34 responsibility for costs it incurs prior to the approval of an
35 individualized education program, except for costs associated with
36 conducting a mental health assessment.

37 (i) *This section shall become inoperative on July 1, 2011, and,*
38 *as of January 1, 2012, is repealed, unless a later enacted statute,*
39 *that becomes operative on or before January 1, 2012, deletes or*
40 *extends the dates on which it becomes inoperative and is repealed.*

1 *SEC. 21. Section 7576.2 of the Government Code is amended*
2 *to read:*

3 7576.2. (a) The Director of the State Department of Mental
4 Health is responsible for monitoring county mental health agencies
5 to ensure compliance with the requirement to provide mental health
6 services to disabled pupils pursuant to this chapter and to ensure
7 that funds provided for this purpose are appropriately utilized.

8 (b) The Director of the State Department of Mental Health shall
9 submit a report to the Legislature by April 1, 2005, that includes
10 the following:

11 (1) A description of the data that is currently collected by the
12 State Department of Mental Health related to pupils served and
13 services provided pursuant to this chapter.

14 (2) A description of the existing monitoring process used by
15 the State Department of Mental Health to ensure that county mental
16 health agencies are complying with this chapter.

17 (3) Recommendations on the manner in which to strengthen
18 and improve monitoring by the State Department of Mental Health
19 of the compliance by a county mental health agency with the
20 requirements of this chapter, on the manner in which to strengthen
21 and improve collaboration and coordination with the State
22 Department of Education in monitoring and data collection
23 activities, and on the additional data needed related to this chapter.

24 (c) The Director of the State Department of Mental Health shall
25 collaborate with the Superintendent of Public Instruction in
26 preparing the report required pursuant to subdivision (b) and shall
27 convene at least one meeting of appropriate stakeholders and
28 organizations, including a representative from the State Department
29 of Education, to obtain input on existing data collection and
30 monitoring processes, and on ways to strengthen and improve the
31 data collected and monitoring performed.

32 (d) *This section shall become inoperative on July 1, 2011, and,*
33 *as of January 1, 2012, is repealed, unless a later enacted statute,*
34 *that becomes operative on or before January 1, 2012, deletes or*
35 *extends the dates on which it becomes inoperative and is repealed.*

36 *SEC. 22. Section 7576.3 of the Government Code is amended*
37 *to read:*

38 7576.3. (a) It is the intent of the Legislature that the Director
39 of the State Department of Mental Health collaborate with an entity
40 with expertise in children's mental health to collect, analyze, and

1 disseminate best practices for delivering mental health services to
2 disabled pupils. The best practices may include, but are not limited
3 to:

4 ~~(a)~~

5 (1) Interagency agreements in urban, suburban, and rural areas
6 that result in clear identification of responsibilities between local
7 educational agencies and county mental health agencies and result
8 in efficient and effective delivery of services to pupils.

9 ~~(b)~~

10 (2) Procedures for developing and amending individualized
11 education programs that include mental health services that provide
12 flexibility to educational and mental health agencies and protect
13 the interests of children in obtaining needed mental health needs.

14 ~~(c)~~

15 (3) Procedures for creating ongoing communication between
16 the classroom teacher of the pupil and the mental health
17 professional who is directing the mental health program for the
18 pupil.

19 *(b) This section shall become inoperative on July 1, 2011, and,*
20 *as of January 1, 2012, is repealed, unless a later enacted statute,*
21 *that becomes operative on or before January 1, 2012, deletes or*
22 *extends the dates on which it becomes inoperative and is repealed.*

23 SEC. 23. Section 7576.5 of the Government Code is amended
24 to read:

25 7576.5. (a) If funds are appropriated to local educational
26 agencies to support the costs of providing services pursuant to this
27 chapter, the local educational agencies shall transfer those funds
28 to the community mental health services that provide services
29 pursuant to this chapter in order to reduce the local costs of
30 providing these services. These funds shall be used exclusively
31 for programs operated under this chapter and are offsetting
32 revenues in any reimbursable mandate claim relating to special
33 education programs and services.

34 *(b) This section shall become inoperative on July 1, 2011, and,*
35 *as of January 1, 2012, is repealed, unless a later enacted statute,*
36 *that becomes operative on or before January 1, 2012, deletes or*
37 *extends the dates on which it becomes inoperative and is repealed.*

38 SEC. 24. Section 7582 of the Government Code is amended to
39 read:

7582. Assessments and therapy treatment services provided under programs of the State Department of Health *Care* Services or the State Department of Mental Health, or their *its* designated local agencies, rendered to a child referred by a local education agency for an assessment or a disabled child or youth with an individualized education program, shall be exempt from financial eligibility standards and family repayment requirements for these services when rendered pursuant to this chapter.

SEC. 25. Section 7585 of the Government Code is amended to read:

7585. (a) Whenever a department or local agency designated by that department fails to provide a related service or designated instruction and service required pursuant to Section 7575 or 7576, and specified in the pupil's individualized education program, the parent, adult pupil, if applicable, or a local educational agency referred to in this chapter, shall submit a written notification of the failure to provide the service to the Superintendent of Public Instruction or the Secretary of California Health and Human Services.

(b) When either the Superintendent or the secretary receives a written notification of the failure to provide a service as specified in subdivision (a), a copy shall immediately be transmitted to the other party. The Superintendent, or his or her designee, and the secretary, or his or her designee, shall meet to resolve the issue within 15 calendar days of receipt of the notification. A written copy of the meeting resolution shall be mailed to the parent, the local educational agency, and affected departments, within 10 days of the meeting.

(c) If the issue cannot be resolved within 15 calendar days to the satisfaction of the Superintendent and the secretary, they shall jointly submit the issue in writing to the Director of the Office of Administrative Hearings, or his or her designee, in the Department of General Services.

(d) The Director of the Office of Administrative Hearings, or his or her designee, shall review the issue and submit his or her findings in the case to the Superintendent and the secretary within 30 calendar days of receipt of the case. The decision of the director, or his or her designee, shall be binding on the departments and their designated agencies who are parties to the dispute.

1 (e) If the meeting, conducted pursuant to subdivision (b), fails
2 to resolve the issue to the satisfaction of the parent or local
3 educational agency, either party may appeal to the director, whose
4 decision shall be the final administrative determination and binding
5 on all parties.

6 (f) Whenever notification is filed pursuant to subdivision (a),
7 the pupil affected by the dispute shall be provided with the
8 appropriate related service or designated instruction and service
9 pending resolution of the dispute, if the pupil had been receiving
10 the service. The Superintendent and the secretary shall ensure that
11 funds are available for the provision of the service pending
12 resolution of the issue pursuant to subdivision (e).

13 (g) This section does not prevent a parent or adult pupil from
14 filing for a due process hearing under Section 7586.

15 (h) The contract between the State Department of Education
16 and the Office of Administrative Hearings for conducting due
17 process hearings shall include payment for services rendered by
18 the Office of Administrative Hearings which are required by this
19 section.

20 *SEC. 26. Section 7586.5 of the Government Code is amended*
21 *to read:*

22 7586.5. (a) Not later than January 1, 1988, the Superintendent
23 of Public Instruction and the Secretary of the Health and Human
24 Services Agency jointly shall submit to the Legislature and the
25 Governor a report on the implementation of this chapter. The report
26 shall include, but not be limited to, information regarding the
27 number of complaints and due process hearings resulting from this
28 chapter.

29 (b) *This section shall become inoperative on July 1, 2011, and,*
30 *as of January 1, 2012, is repealed, unless a later enacted statute,*
31 *that becomes operative on or before January 1, 2012, deletes or*
32 *extends the dates on which it becomes inoperative and is repealed.*

33 *SEC. 27. Section 7586.6 of the Government Code is amended*
34 *to read:*

35 7586.6. (a) The Superintendent of Public Instruction and the
36 Secretary of the Health and Human Services Agency shall ensure
37 that the State Department of Education and the State Department
38 of Mental Health enter into an interagency agreement by January
39 1, 1998. It is the intent of the Legislature that the agreement
40 include, but not be limited to, procedures for ongoing joint training,

1 technical assistance for state and local personnel responsible for
2 implementing this chapter, protocols for monitoring service
3 delivery, and a system for compiling data on program operations.

4 (b) It is the intent of the Legislature that the designated local
5 agencies of the State Department of Education and the State
6 Department of Mental Health update their interagency agreements
7 for services specified in this chapter at the earliest possible time.
8 It is the intent of the Legislature that the state and local interagency
9 agreements be updated at least every three years or earlier as
10 necessary.

11 (c) *This section shall become inoperative on July 1, 2011, and,*
12 *as of January 1, 2012, is repealed, unless a later enacted statute,*
13 *that becomes operative on or before January 1, 2012, deletes or*
14 *extends the dates on which it becomes inoperative and is repealed.*

15 SEC. 28. *Section 7586.7 of the Government Code is amended*
16 *to read:*

17 7586.7. (a) The Superintendent of Public Instruction and the
18 Secretary of the Health and Human Services Agency jointly shall
19 prepare and implement within existing resources a plan for
20 in-service training of state and local personnel responsible for
21 implementing the provisions of this chapter.

22 (b) *This section shall become inoperative on July 1, 2011, and,*
23 *as of January 1, 2012, is repealed, unless a later enacted statute,*
24 *that becomes operative on or before January 1, 2012, deletes or*
25 *extends the dates on which it becomes inoperative and is repealed.*

26 SEC. 29. *Section 7588 of the Government Code is repealed.*

27 ~~7588. This chapter shall become operative on July 1, 1986,~~
28 ~~except Section 7583, which shall become operative on January 1,~~
29 ~~1985.~~

30 SEC. 30. *Section 17581.5 of the Government Code is amended*
31 *to read:*

32 17581.5. (a) A school district or community college district
33 shall not be required to implement or give effect to the statutes, or
34 a portion of the statutes, identified in subdivision (c) during any
35 fiscal year and for the period immediately following that fiscal
36 year for which the Budget Act has not been enacted for the
37 subsequent fiscal year if all of the following apply:

38 (1) The statute or a portion of the statute, has been determined
39 by the Legislature, the commission, or any court to mandate a new
40 program or higher level of service requiring reimbursement of

1 school districts or community college districts pursuant to Section
2 6 of Article XIII B of the California Constitution.

3 (2) The statute, or a portion of the statute, or the test claim
4 number utilized by the commission, specifically has been identified
5 by the Legislature in the Budget Act for the fiscal year as being
6 one for which reimbursement is not provided for that fiscal year.
7 For purposes of this paragraph, a mandate shall be considered
8 specifically to have been identified by the Legislature only if it
9 has been included within the schedule of reimbursable mandates
10 shown in the Budget Act and it specifically is identified in the
11 language of a provision of the item providing the appropriation
12 for mandate reimbursements.

13 (b) Within 30 days after enactment of the Budget Act, the
14 Department of Finance shall notify school districts of any statute
15 or executive order, or portion thereof, for which reimbursement
16 is not provided for the fiscal year pursuant to this section.

17 (c) This section applies only to the following mandates:

18 (1) School Bus Safety I (CSM-4433) and II (97-TC-22) (Chapter
19 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994;
20 and Chapter 739 of the Statutes of 1997).

21 (2) County Treasury Withdrawals (96-365-03; and Chapter 784
22 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

23 (3) Grand Jury Proceedings (98-TC-27; and Chapter 1170 of
24 the Statutes of 1996, Chapter 443 of the Statutes of 1997, and
25 Chapter 230 of the Statutes of 1998).

26 (4) Law Enforcement Sexual Harassment Training (97-TC-07;
27 and Chapter 126 of the Statutes of 1993).

28 (5) Health Benefits for Survivors of Peace Officers and
29 Firefighters (Chapter 1120 of the Statutes of 1996 and 97-TC-25).

30 (d) This section applies to the following mandates for the
31 2010–11, 2011–12, and 2012–13 fiscal years only:

32 (1) Removal of Chemicals (Chapter 1107 of the Statutes of 1984
33 and CSM 4211 and 4298).

34 (2) Scoliosis Screening (Chapter 1347 of the Statutes of 1980
35 and CSM 4195).

36 (3) Pupil Residency Verification and Appeals (Chapter 309 of
37 the Statutes of 1995 and 96-384-01).

38 (4) Integrated Waste Management (Chapter 1116 of the Statutes
39 of 1992 and 00-TC-07).

1 (5) Law Enforcement Jurisdiction Agreements (Chapter 284 of
2 the Statutes of 1998 and 98-TC-20).

3 (6) Physical Education Reports (Chapter 640 of the Statutes of
4 1997 and 98-TC-08).

5 (7) *98.01.042.390-Sexual Assault Response Procedures (Chapter*
6 *423 of the Statutes of 1990 and 99-TC-12).*

7 (8) *98.01.059.389-Student Records (Chapter 593 of the Statutes*
8 *of 1989 and 02-TC-34).*

9 *SEC. 31. Section 5651 of the Welfare and Institutions Code is*
10 *amended to read:*

11 5651. The proposed annual county mental health services
12 performance contract shall include all of the following:

13 (a) The following assurances:

14 (1) That the county is in compliance with the expenditure
15 requirements of Section 17608.05.

16 ~~(2) That the county shall provide the mental health services~~
17 ~~required by Chapter 26.5 (commencing with Section 7570) of~~
18 ~~Division 7 of Title 1 of the Government Code and will comply~~
19 ~~with all requirements of that chapter.~~

20 ~~(3)~~

21 (2) That the county shall provide services to persons receiving
22 involuntary treatment as required by Part 1 (commencing with
23 Section 5000) and Part 1.5 (commencing with Section 5585).

24 ~~(4)~~

25 (3) That the county shall comply with all requirements necessary
26 for Medi-Cal reimbursement for mental health treatment services
27 and case management programs provided to Medi-Cal eligible
28 individuals, including, but not limited to, the provisions set forth
29 in Chapter 3 (commencing with Section 5700), and that the county
30 shall submit cost reports and other data to the department in the
31 form and manner determined by the department.

32 ~~(5)~~

33 (4) That the local mental health advisory board has reviewed
34 and approved procedures ensuring citizen and professional
35 involvement at all stages of the planning process pursuant to
36 Section 5604.2.

37 ~~(6)~~

38 (5) That the county shall comply with all provisions and
39 requirements in law pertaining to patient rights.

40 ~~(7)~~

1 (6) That the county shall comply with all requirements in federal
2 law and regulation pertaining to federally funded mental health
3 programs.

4 ~~(8)~~

5 (7) That the county shall provide all data and information set
6 forth in Sections 5610 and 5664.

7 ~~(9)~~

8 (8) That the county, if it elects to provide the services described
9 in Chapter 2.5 (commencing with Section 5670), shall comply
10 with guidelines established for program initiatives outlined in that
11 chapter.

12 ~~(10)~~

13 (9) Assurances that the county shall comply with all applicable
14 laws and regulations for all services delivered.

15 (b) The county's proposed agreement with the department for
16 state hospital usage as required by Chapter 4 (commencing with
17 Section 4330) of Part 2 of Division 4.

18 (c) ~~Performance contracts required by this chapter shall include~~
19 ~~any~~—Any contractual requirements needed for any program
20 initiatives utilized by the county contained within this part. In
21 addition, any county may choose to include contract provisions
22 for other state directed mental health managed programs within
23 this performance contract.

24 (d) Other information determined to be necessary by the director,
25 to the extent this requirement does not substantially increase county
26 costs.

27 *SEC. 32. Section 5701.3 of the Welfare and Institutions Code*
28 *is amended to read:*

29 5701.3. (a) Consistent with the annual Budget Act, this chapter
30 shall not affect the responsibility of the state to fund psychotherapy
31 and other mental health services required by Chapter 26.5
32 (commencing with Section 7570) of Division 7 of Title 1 of the
33 Government Code, and the state shall reimburse counties for all
34 allowable costs incurred by counties in providing services pursuant
35 to that chapter. The reimbursement provided pursuant to this
36 section for purposes of Chapter 26.5 (commencing with Section
37 7570) of Division 7 of Title 1 of the Government Code shall be
38 provided by the state through an appropriation included in either
39 the annual Budget Act or other statute. Counties shall continue to
40 receive reimbursement from specifically appropriated funds for

1 costs necessarily incurred in providing psychotherapy and other
2 mental health services in accordance with this chapter. For
3 reimbursement claims for services delivered in the 2001–02 fiscal
4 year and thereafter, counties are not required to provide any share
5 of those costs or to fund the cost of any part of these services with
6 money received from the Local Revenue Fund established by
7 Chapter 6 (commencing with Section 17600) of Part 5 of Division
8 9.

9 *(b) This section shall become inoperative on July 1, 2011, and,*
10 *as of January 1, 2012, is repealed, unless a later enacted statute,*
11 *that becomes operative on or before January 1, 2012, deletes or*
12 *extends the dates on which it becomes inoperative and is repealed.*

13 SEC. 33. Section 5701.6 of the Welfare and Institutions Code
14 is amended to read:

15 5701.6. (a) Counties may utilize money received from the
16 Local Revenue Fund established by Chapter 6 (commencing with
17 Section 17600) of Part 5 of Division 9 to fund the costs of any part
18 of those services provided pursuant to Chapter 26.5 (commencing
19 with Section 7570) of Division 7 of Title 1 of the Government
20 Code. If money from the Local Revenue Fund is used by counties
21 for those services, counties are eligible for reimbursement from
22 the state for all allowable costs to fund assessments, psychotherapy,
23 and other mental health services allowable pursuant to Section
24 300.24 of Title 34 of the Code of Federal Regulations and required
25 by Chapter 26.5 (commencing with Section 7570) of Division 7
26 of Title 1 of the Government Code.

27 (b) This section is declaratory of existing law.

28 *(c) This section shall become inoperative on July 1, 2011, and,*
29 *as of January 1, 2012, is repealed, unless a later enacted statute,*
30 *that becomes operative on or before January 1, 2012, deletes or*
31 *extends the dates on which it becomes inoperative and is repealed.*

32 SEC. 34. Section 11323.2 of the Welfare and Institutions Code
33 is amended to read:

34 11323.2. (a) Necessary supportive services shall be available
35 to every participant in order to participate in the program activity
36 to which he or she is assigned or to accept employment or the
37 participant shall have good cause for not participating under
38 subdivision (f) of Section 11320.3. As provided in the
39 welfare-to-work plan entered into between the county and

1 participant pursuant to this article, supportive services shall include
2 all of the following:

3 (1) Child care.

4 (A) Paid child care shall be available to every participant with
5 a dependent child in the assistance unit who needs paid child care
6 if the child is 10 years of age or under, or requires child care or
7 supervision due to a physical, mental, or developmental disability
8 or other similar condition as verified by the county welfare
9 department, or who is under court supervision.

10 (B) To the extent funds are available paid child care shall be
11 available to a participant with a dependent child in the assistance
12 unit who needs paid child care if the child is 11 or 12 years of age;
13 ~~as specified in subdivision (a) of Section 8201 of, and subdivision~~
14 ~~(i) of Section 8208 of, the Education Code.~~

15 (C) Necessary child care services shall be available to every
16 former recipient for up to two years, pursuant to Article 15.5
17 (commencing with Section 8350) of Chapter 2 of Part 6 of Division
18 1 of Title 1 of the Education Code.

19 (D) A child in foster care receiving benefits under Title IV-E
20 of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.) or
21 a child who would become a dependent child except for the receipt
22 of federal Supplemental Security Income benefits pursuant to Title
23 XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et
24 seq.) shall be deemed to be a dependent child for the purposes of
25 this paragraph.

26 (E) The provision of care and payment rates under this paragraph
27 shall be governed by Article 15.5 (commencing with Section 8350)
28 of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
29 Code. Parent fees shall be governed by subdivisions (g) and (h)
30 of Section 8263 of the Education Code.

31 (2) Transportation costs, which shall be governed by regional
32 market rates as determined in accordance with regulations
33 established by the department.

34 (3) Ancillary expenses, which shall include the cost of books,
35 tools, clothing specifically required for the job, fees, and other
36 necessary costs.

37 (4) Personal counseling. A participant who has personal or
38 family problems that would affect the outcome of the
39 welfare-to-work plan entered into pursuant to this article shall, to
40 the extent available, receive necessary counseling or therapy to

1 help him or her and his or her family adjust to his or her job or
2 training assignment.

3 (b) If provided in a county plan, the county may continue to
4 provide case management and supportive services under this
5 section to former participants who become employed. The county
6 may provide these services for up to the first 12 months of
7 employment to the extent they are not available from other sources
8 and are needed for the individual to retain the employment.

9 *SEC. 35. Section 18356.1 is added to the Welfare and*
10 *Institutions Code, to read:*

11 *18356.1. This chapter shall become inoperative on July 1,*
12 *2011, and, as of January 1, 2012, is repealed, unless a later*
13 *enacted statute, that becomes operative on or before January 1,*
14 *2012, deletes or extends the dates on which it becomes inoperative*
15 *and is repealed.*

16 *SEC. 36. Notwithstanding the rulemaking provisions of the*
17 *Administrative Procedure Act (Chapter 3.5 (commencing with*
18 *Section 11340) of Part 1 of Division 3 of Title 2 of the Government*
19 *Code), the State Department of Social Services or the State*
20 *Department of Education may implement Sections 2 to 7, inclusive,*
21 *and Section 34 of this act, through all-county letters, management*
22 *bulletins, or other similar instructions.*

23 *SEC. 37. Notwithstanding any other law, the implementation*
24 *of Sections 2 to 7, inclusive, and Section 34 of this act is not subject*
25 *to the appeal and resolution procedures for agencies that contract*
26 *with the State Department of Education for the provision of child*
27 *care services or the due process requirements afforded to families*
28 *that are denied services specified in Chapter 19 (commencing with*
29 *Section 18000) of Division 1 of Title 5 of the California Code of*
30 *Regulations.*

31 *SEC. 38. It is the intent of the Legislature that funding provided*
32 *in provisions 18 and 26 of Item 6110-161-0001 and provision 9*
33 *of Item 6110-161-0890 of Section 2.00 of the Budget Act of 2011*
34 *for educationally related mental health services, including*
35 *out-of-home residential services for emotionally disturbed pupils,*
36 *required by the federal Individuals with Disabilities Education*
37 *Act (20 U.S.C. Sec. 1400 et seq.) shall be exclusively available for*
38 *these services only for the 2011–12 and 2012–13 fiscal years.*

39 *SEC. 39. (a) It is the intent of the Legislature that the State*
40 *Department of Education and the appropriate departments within*

1 *the California Health and Human Services Agency modify or repeal*
2 *regulations that are no longer supported by statute due to the*
3 *amendments in Sections 11 to 13, inclusive, Sections 17 to 29,*
4 *inclusive, Sections 31 to 33, inclusive, and Section 35 of this act.*

5 *(b) The State Department of Education and the appropriate*
6 *departments within the California Health and Human Services*
7 *Agency shall review regulations to ensure the appropriate*
8 *implementation of educationally related mental health services*
9 *required by the federal Individuals with Disabilities Education*
10 *Act (20 U.S.C. Sec. 1400 et seq.) and Sections 11 to 13, inclusive,*
11 *Sections 17 to 29, inclusive, Sections 31 to 33, inclusive, and*
12 *Section 35 of this act.*

13 *(c) The State Department of Education and the appropriate*
14 *departments within the California Health and Human Services*
15 *Agency may adopt regulations to implement Sections 11 to 13,*
16 *inclusive, Sections 17 to 29, inclusive, Sections 31 to 33, inclusive,*
17 *and Section 35 of this act. The adoption, amendment, repeal, or*
18 *readoption of a regulation authorized by this section is deemed to*
19 *address an emergency, for purposes of Sections 11346.1 and*
20 *11349.6 of the Government Code, and the State Department of*
21 *Education and the appropriate departments within the California*
22 *Health and Human Services Agency are hereby exempted, for this*
23 *purpose, from the requirements of subdivision (b) of Section*
24 *11346.1 of the Government Code. For purposes of subdivision (e)*
25 *of Section 11346.1 of the Government Code, the 180-day period,*
26 *as applicable to the effective period of an emergency regulatory*
27 *action and submission of specified materials to the Office of*
28 *Administrative Law, is hereby extended to one year.*

29 *SEC. 40. The Controller may defer, as necessary, the June*
30 *2012 allocations to the University of California until not later than*
31 *August 31, 2012, for purposes of cash management.*

32 *SEC. 41. If the Commission on State Mandates determines that*
33 *this act contains costs mandated by the state, reimbursement to*
34 *local agencies and school districts for those costs shall be made*
35 *pursuant to Part 7 (commencing with Section 17500) of Division*
36 *4 of Title 2 of the Government Code.*

37 *SEC. 42. There is hereby appropriated one thousand dollars*
38 *(\$1,000) from the General Fund to the State Department of*
39 *Education for purposes of funding the award grants pursuant to*
40 *Section 49550.3 of the Education Code to school districts, county*

1 *superintendents of schools, or entities approved by the department*
2 *for nonrecurring expenses incurred in initiating or expanding a*
3 *school breakfast program or a summer food service program.*

4 *SEC. 43. This act is a bill providing for appropriations related*
5 *to the Budget Bill within the meaning of subdivision (e) of Section*
6 *12 of Article IV of the California Constitution, has been identified*
7 *as related to the budget in the Budget Bill, and shall take effect*
8 *immediately.*

9
10
11 **All matter omitted in this version of the bill**
12 **appears in the bill as amended in the**
13 **Assembly, March 14, 2011. (JR11)**
14